

JPRS 74628

23 November 1979

# Latin America Report

No. 2074

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REPORT DOCUMENTATION PAGE		1. REPORT NO. JPRS 74628	2.	3. Recipient's Accession No.	
4. Title and Subtitle LATIN AMERICA REPORT, No. 2074				5. Report Date 23 November 1979	
7. Author(s)				8. Performing Organization Rept. No.	
9. Performing Organization Name and Address Joint Publications Research Service 1000 North Glebe Road Arlington, Virginia 22201				10. Project/Task/Work Unit No.	
				11. Contract(C) or Grant(G) No. (C) (G)	
12. Sponsoring Organization Name and Address  As above				13. Type of Report & Period Covered	
				14.	
15. Supplementary Notes					
16. Abstract (Limit: 200 words)  The serial report contains articles on political and sociological developments in major areas of Latin America, as reported primarily from Latin American newspapers and periodicals. It also includes information on major segments of Latin American economy, geography, culture, and ethnography.					
17. Document Analysis a. Descriptors					
Political Science		<input checked="" type="checkbox"/> Inter-American Affairs		<input type="checkbox"/> Haiti	
Sociology		<input checked="" type="checkbox"/> Argentina		<input type="checkbox"/> Honduras	
Economics		<input type="checkbox"/> Barbados		<input checked="" type="checkbox"/> Jamaica	
Culture		<input type="checkbox"/> Bolivia		<input checked="" type="checkbox"/> Mexico	
Ethnology		<input type="checkbox"/> Brazil		<input type="checkbox"/> Netherlands	
Technological		<input checked="" type="checkbox"/> Chile		<input type="checkbox"/> Antilles	
Geography		<input type="checkbox"/> Colombia		<input checked="" type="checkbox"/> Nicaragua	
		<input type="checkbox"/> Costa Rica		<input type="checkbox"/> Panama	
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		<input type="checkbox"/> El Salvador		<input type="checkbox"/> Uruguay	
		<input type="checkbox"/> Guatemala		<input checked="" type="checkbox"/> Venezuela	
		<input type="checkbox"/> Guyana			
b. Identifiers/Open Ended Terms					
c. COSATI Field/Group 5D, 5C, 5K					
18. Availability Statement Unlimited Availability Sold by NTIS Springfield, Virginia 22161		19. Security Class (This Report) UNCLASSIFIED		21. No. of Pages 128	
		20. Security Class (This Page) UNCLASSIFIED		22. Price	

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SALVADORAN COMMUNIST PARTY HEAD CALLS FOR ROMERO OVERTHROW

Havana BOHEMIA in Spanish 12 Oct 79 pp 58-62

[Exclusive interview in Havana with Shafick Jorge Handal, secretary general of the Salvadoran Communist Party, by Mario G. Del Cueto]

[Text] In the present situation, it is necessary to bring together all the antidictatorship forces to overthrow fascism. The Nicaraguan experience confirms the democratic nature of the Salvadoran revolution. Only energetic united action by the revolutionary forces can produce the overall regrouping needed to remove the fascists from power. A revolution about to mature. A single strategic focus and formation of a single leadership of the revolution. The OAS meeting on 15 October to discuss human rights in El Salvador should become a demonstration of solidarity with the people. The most vigorous historic trend unfolding in our country, as in almost all of Central America, is the advance toward democratic revolution.

Since the triumph of the Nicaraguan revolution, it is undeniable that in some countries in Central America--those where the regimes that are puppets of the imperialists are fascistic--the people are increasing their struggle to free themselves from the hateful domination, both native and foreign, to which they find themselves subjected. In particular, the situation in El Salvador, severely convulsed throughout an increasingly crucial process, has entered a new phase whose most important factors and elements are the subject of a broad, thorough examination in this interview with the secretary general of the Central Committee of the Communist Party of El Salvador [PCS], Comrade Shafick Jorge Handal. It was possible to conduct the interview recently when he was passing through Havana on his way to Europe to seek solidarity for his people's struggle.

Handal had scarcely met the reporter when, almost without preliminary, he addressed his topic.



"The determining factor that has brought the right-wing military dictatorship to this irremediable crisis," he began, "is continuing to intensify. I am speaking of the marked increase in the people's energetic struggle, both political and armed, that has been growing for years, and especially since February of 1977. The people's movement, the Salvadoran people altogether, is now animated and motivated by the glorious example of the Nicaraguan revolution, by the example of revolutionary unity, of wise, calm leadership given it by the FSLN, by its intelligent utilization of all favorable factors, both national and international, by means of a policy of broad, bold alliances. Ever since Somoza and Urcuyo fled Nicaragua, the belief has spread throughout El Salvador that the road to political and social liberation should pass first through the revolutionary overthrow of the fascists, and that this can only be achieved through unification of the revolutionary forces, with the democratic and, generally, antidictatorship forces grouped around them."

Taking unity as the central theme of his statement, Handal pursued it:

"The Sandinist victory came after the May killings in El Salvador and while we were witnessing here the biggest wave of murders of cadres and activists in people's organizations by the regime's criminal gangs. From May until now the fascist regime has murdered nearly 500 people and has made over 350 'disappear.' Some of these victims fell in the killings at mass demonstrations; some fell under the guns of the gangs of murderers ('White War Union' [UGB]) that the government has organized in an effort to avoid, in the eyes of the world, responsibility for the crimes, and some were murdered after being viciously kidnapped and tortured. In the month of June alone over 130 activists and cadres of mass organizations were murdered in the countryside; over 30 school teachers have died since May at the hands of the UGB, practically hunted down one by one. Persecution of the progressive church has taken the life of another priest. The union movement has been struck hard. All the revolutionary organizations, including the Communist Party, have suffered--and are suffering--the martyrdom of fascist repression. Imprisonment, torture, murder and 'disappearances' have made it clear that the fascists consider all of us their mortal enemies and, at the same time, have exposed the senselessness of sectarianism and the divisions that turn revolutionary against revolutionary.

"Nicaragua's example, the great animating impulse it has given the Salvadoran people, the heroism of the people's movement in its resistance to the fascists; the clean sweep that the bloody fascist repression is making of all revolutionaries, without distinguishing among our ideological differences, have given rise, during the few months since the Sandinist victory, to two rising positive currents in the people's movement. One of those currents is progress toward a coming to terms and unification of the revolutionary forces, toward their exerting an attraction on the democratic forces with a view to the formation of a common front. This current is making headway although still encountering difficulties, the calcified

remnants of sectarianism and hostility among revolutionaries; but progress is being made. The other current is a renewed expansion of the economic, political and armed struggle of the masses against the regime. I'm not going to describe these daily confrontations because even a detailed account would fail to reflect the daily vigor and variety of the struggle in our country, and it is preferable to leave that mission to the press, the radio and television, which tell the world each day what is happening in El Salvador.

"It is important to point out that the working class' strike movement has assumed the character of a daily ingredient of the people's struggle, and the stoppages expressing solidarity often become quite widespread, to the point of being national in scope, as occurred in February and March when the strikes and the stoppages expressing solidarity culminated in the cutting off of electric energy throughout the country for over 24 hours. Even when the workers' demands are principally and initially economic in nature, the strikes quickly assume a political character, one of confrontation with the government. Nearly all strikes now involve the workers' taking over the firms' buildings and installations and the taking as hostages of the owners and/or top executives of the firms, which not infrequently are affiliated with great multinational monopolies. Naturally, this type of action includes the organization of mass self-defense groups. Thus, the workers' consciousness becomes revolutionized, the number of those joining revolutionary organizations increasing every day, for they understand that their class' historic mission is to lead the entire people's revolutionary struggle.

"We have an optimistic view of the possibility of achieving unity among the revolutionary forces, which in our opinion is the key to decisively unleashing the tremendous revolutionary energy of the Salvadoran people and to setting forth toward victory. Unity in action and in combat and the overcoming of the differences among the revolutionary organizations to unify their strategic focus in the present phase of the revolution is an essential and urgent need. If we do not resolutely advance toward that accord, unity may come too late. I repeat that we have an optimistic view of the prospects for unity because the need for it has been already understood by all the revolutionary organizations in El Salvador."

#### El Salvador Has the Largest Load of Revolutionary "Danger"

The imperialists' interventionist machinations in Salvadoran politics become strikingly clear through the words of the secretary general of the PCS.

"After the OAS' rejection of the American proposal to intervene militarily in Nicaragua (last June), within the U.S. State Department ascendancy was attained by those who prefer to deal with the Central American crisis by forcing military regimes to liberalize. They argue more or less thus:

'If we had forced Somoza to surrender his power in 1978, the Sandinist victory in 1979 could have been prevented.' On the other hand, the Pentagon and the CIA are determined advocates of providing weapons and other equipment, technical assistance and political support to the right-wing military leaders so that they can carry out 'pacification' by means of ruthless extermination of the people's movement. In the State Department there are also advocates of this method, but they are not dominant now. To be sure, everyone in the U.S. Government agrees in considering El Salvador the country that has the largest load of revolutionary danger. And while in Washington they continued discussing what the best method is of dealing with the situation, those advocating each of the two positions are setting forth to put into practice their own schemes in our country.

"In early August, Viron Vaky, undersecretary of state for inter-American affairs, arrived in El Salvador on a nearly secret visit. In his talk with General Romero he asked him to resign or to leave his post in one way or another ('self-coup,' for example) and to immediately call early presidential elections (they had been scheduled for 1982). Romero refused and offered, rather, to take the steps that had already been worked out by his team of advisers, which are now publicly known: a promise of 'free elections' of deputies and municipal councils in March of 1980, reform of the Electoral Law, replacement of the members of the Central Election Board, and permitting the return of political exiles. When he announced these measures at a press conference on 16 August, Romero also said, 'There are no political prisoners here,' and he insisted that the gangs of murderers 'are acting outside the government's control.' The flagrant lies revealed his strata-gem: There will be free elections; but meanwhile repression will continue to increase. In fact, the government did increase repression after that date. This is fully confirmed. . . . According to the answers that Vaky gave to the American press, he returned from El Salvador dissatisfied. Although Ambassador Devine made statements expressing satisfaction with the measures announced by the Salvadoran Government, and Vaky mentioned them as 'positive steps' in his recent report to Congress concerning the situation in Central America and U.S. policy, the truth is that the State Department is continuing to exert pressure for acceptance of its formula based on Romero's resignation. As a part of the effort to promote this formula, San Salvador was visited twice, in August and in September, by William Bowdler, the same person who was responsible for the machinations intended to find a way out of the Nicaraguan crisis by means of Somoza's resignation while leaving his National Guard intact.

"The State Department is not confining itself to exerting pressure on the government, but rather it has also established contacts and even commitments with some political groups in our country in order to insure an arrangement that will be under its control.

"About now--around 15 October--the OAS Assembly will have to discuss the report issued by the Inter-American Commission on Human Rights, which

visited El Salvador in early 1978. As people know, the report is critical of Romero's government. The OAS Assembly could condemn him, thus creating an extremely difficult situation for him, especially if one considers the role that various Latin American and Caribbean governments could play.

"The Pentagon and the CIA, in turn, are encouraging the fascist military chiefs in our country to maintain and strengthen their repressive system. With the endorsement of the Pentagon and the CIA, Israel is providing the Salvadoran fascists with aid by supplying weapons and other equipment to them, by training officers, and by directly advising them in the reorganization of the military and paramilitary machines. All of this is connected with the desperate, obsessive desire of the fascists to annihilate the people's movement in our country.

"This panorama of the dual and contradictory conduct of the Yankees regarding the Central American situation has undergone some modification in recent days as a result of the development of the pseudo-crisis concerning the alleged presence of a Soviet combat brigade in Cuba, which was disclosed in a timely and masterful fashion by Comrade Fidel Castro. In his last appearance on television, Carter said, while issuing threats and announcing warlike, interventionist measures against the people of Central America and the Caribbean, that his government has decided to provide material aid and political support to those 'governments that--in his words--'want to resist social upheavals and possible communist domination.' This means that Carter's opinion has turned in favor of the criminal position taken by the Pentagon, the CIA and the Security Council, and his statements and the measures adopted constitute public support of the Salvadoran fascists and the murderous Guatemalan regime.

"The intensifying of the bloody repression of the people in recent days is being carried out, then, with the clear and acknowledged complicity of the U.S. Government. We again are facing the Carter government's zigzagging policy. His statements just referred to have undermined the hopes for a 'democratic opening' to be obtained through American pressure that some Salvadoran reformist opposition groups have maintained. Moreover, they make it clear that behind the 'White War Union' and its misdeeds there stand not only General Romero's murderous government but also the Yankee imperialist arch-assassins, particularly the hypocritical 'moralist' government, the false defender of human rights of President James Carter."

#### The Two Faces of Official Policy

Let us see now how Handal analyzes the internal machinations of the dictatorship in its effort to remain in power.

"The government has set forth to carry out a stratagem with two faces: a) the political face, at the center of which is the offer of 'free elections' and the measures accompanying them, with which the following objectives are sought: 1) to acquire a presentable image for the OAS



Assembly in October and to avoid a possible adverse decision, thus protecting Romero's presidential term. Although the group of fascist military chiefs and large capitalists, which actually rules, seems to have established alternatives for the event of an adverse judgment by the OAS or for the aggravation of the political crisis, among them the resignation or departure of General Romero from the presidency of the republic by another means, thus simulating an open 'important political shift' that actually would make it possible to firmly retain true power in their hands (the fascists') [as published]. The authors of this plan believe that a maneuver of this sort is much easier to carry out in El Salvador than it was in Nicaragua, where the machinery of tyranny was built around one man and his family. Romero himself has already said at some meetings that he will resign if the OAS censures him; 2) to divide the opposition, attempting to neutralize or attract some of its groups and to isolate the revolutionary forces in order to facilitate repression of them.

"b) the military face, at whose center is the fascists' irrevocable decision to launch a large-scale counterinsurgent war. They consider it certain and unquestionable that they will emerge victorious, and that the revolutionary movement will be buried, despite the fact that recent experience in every corner of the planet has confirmed that the place reserved for the fascists is the garbage can of history. . . . That is why at the same time that 'free elections' have been offered, the extent and virulence of the repression have increased; feverish military preparations are being made, such as the decision to add five or six thousand men to the ranks of the armed forces; plans are being made to send a large group of officers for training with the Israeli experts in the extermination of Palestinians; the Ministry of Defense's budget for what remains of 1979 is being increased by 52 million colones (nearly \$21 million), taking it from other categories, including health and education; and various other measures have been adopted involving a general reorganization of the armed forces, as they are basic changes in military doctrine and in the ideological-technical education of its officers and troops, intended to directly involve the Army in its repressions, also, and not only the security forces, as the tradition had been.

"Thus, the fascists are dragging all the military people into a career of crime and debasement. There are a couple of 'pilot' units in the Army that are up to their necks in the dirty deeds of repression.

"We who can easily distinguish between the murderous military and the patriots warn the latter and urge them to think about the recent Nicaraguan example: we see what became of the military people who let themselves be dragged into Somoza's crimes against his people. Patriotic military people have always had the approval and affection of the Salvadoran peoples and the revolutionary organizations.

"Conclusion: the fascists in El Salvador are preparing for war and not for democratization. They are working to extend their control over the state

and to expand their criminal activity, and they are not preparing to turn it over to the 'moderate' forces, as the State Department would like and as is expected by some Salvadoran politicians, whose hopes are placed on the pressure it exerts. It is obvious that the replacement of General Romero with someone else, whether civilian or military, would not in itself mean the overthrow of the fascists, without which there can be no peace or a true democratic opening, not even any 'moderate' sense of the idea. The replacement of Romero could occur, rather, through a decision by those very fascists to disperse the international political storm now churning about their heads."

With respect to this stratagem with two faces, Handal considered it appropriate to cite fragments of the statement issued by the Communist Party of El Salvador on 20 August, in which it indicates its position:

"The Communist Party of El Salvador"--its secretary general read--"asks all workers in the city and in the country and the entire Salvadoran people to reject the summonses to participate in the elections of deputies and municipal councils in March 1980 and, rather, to intensify their fight against the fascist dictatorship, for the ending of the repression, for economic improvement and conclusive liberation. . . . The most vigorous historic trend unfolding in our country, as in almost all of Central America, is the advance toward the democratic revolution. A revolutionary process is underway that has its own characteristics in each country and is approaching maturity with different paces and possibilities in each of them. This regional revolutionary situation has already given birth to the first victorious revolution, that of the people of Sandino in Nicaragua. . . . The most aware, politically active and growing masses of the Salvadoran people now tend to expect everything from the revolution and not by electoral means. They understand with increasing clarity and conviction that there is no other way to put an end to the spilling of blood, to the terrible suffering and other injustices to which they are subject than to overthrow the fascists, take power in the hands of the people, destroy this criminal, shameful political system that serves a corrupt, insatiable minority, and to install a genuinely democratic and popular regime. . . . This is a time of intensive effort to develop the effectiveness of the organization and of the forms of struggle, to achieve unity of all revolutionaries and democratic people, to resolutely and actively defend the Nicaraguan revolution and to advance into the great battles for the liberation of the Salvadoran people. It is time to halt every stratagem of the fascists, to completely isolate them nationally and internationally. Let us take from their hands hundreds of political prisoners, let's put a stop to their crimes, let's move toward their overthrow!"

#### A Divided Bourgeoisie

Handal stated that following the defeat of the Somozist regime, a deeper, sharper division has split the ranks of the Salvadoran bourgeoisie from its richest levels on down:

"The fascist sector of the bourgeoisie, led by the financial groups whose center is the Popular and Cuscatlan Banks (Hill, O'Byrne, Callejas, etc.), have clearly increased their power in the government and are making it take the road preferred by the Pentagon and the CIA, a direction they urged Romero to take in an open letter at the beginning of this year when he seemed to be turning toward a democratic opening. From the following ideas taken from that open letter, it can easily be seen that it is precisely that recalcitrant group's line that dominates now in the Romero government. The letter said, 'General Romero, your government has made only a weak attempt to confront the subversive groups. . . . You and your collaborators . . . seem to be on the defensive, dodging blows. . . . Mr. President, you must stop vacillating. Declare war on the implacable enemy. . . . Don't treat the cancer victim with aspirin. . . . If every year it is necessary to spend 100 or 200 million colones to fight the terrorists, let them be spent. If you have to hire military and intelligence experts from countries where subversion has been controlled, hire them. If you have to import electronics and other types of equipment for the security forces, import it. . . . The rest can wait. This cannot, General Romero.'

"Since the middle of last year," Handal said, picking up the thread of the interview again, "another sector of the bourgeoisie has begun to take shape, led also by prominent financiers, which is seeking to find a way out of the country's crisis through a democratic opening. This group seems to have been immobilized between May and July of this year by the government's obvious turn toward a brutal increase in killing and other forms of repression (remember the May killings on the stairs at the cathedral in San Salvador and in front of the Venezuelan Embassy); but it recently became very active under the influence of what has happened in Nicaragua, which has brought them the following warning, as they perceive it: 'Instead of leading to pacification, as its advocates claim, the hard line can lead to revolution. . . .'

"This Salvadoran bourgeois group seeking a democratizing opening is now attempting to establish widespread political contacts that can provide a practical foundation for its projects, which in essence coincides with the position taken by the State Department, although it cannot be said that they are exactly the same thing. Those leading this bourgeois group seem to understand fairly well that the Romero government's electoral stratagem cannot lead to any liberalization of the regime but, on the contrary, will aggravate the political crisis and the risk it entails during the coming months.

"Another element forming a part of the present situation is the effort being made by reformist groups in the legal political opposition to assume a more prominent role, seeking to become a real alternative that will resolve the crisis. To that end, those sectors are attempting to take advantage of the following factors: a) the active support of the U.S. State Department and of various Latin American governments of a solution of that sort; b) the active support of the sector of the Salvadoran bourgeoisie that is seeking a democratic opening; and c) the fear of revolution, which

afflicts a large segment of the middle class. In order to make use of these three factors, the reformists need to add to their policy a dose of anticommunism, which has already appeared in some of their actions. The reformists and those who support them, both nationally and internationally, believe that the old right-wing military dictatorship, now in the process of galloping fascistization, can be unhorsed by means of pressure, negotiated deals and elections. We maintain that that possibility is more remote than they believe, considering the nearly 50-year history of the Salvadoran military dictatorship, particularly in a situation such as this in which the danger of revolution hangs increasingly lower over it. Those offering the alternative of the legal reformist opposition are attempting to inject it as an antidote to the polarization between the fascists and the revolutionary forces, as a road that 'can save the country from horror and suffering even worse than that brought by the violence that reigns today.' That is, the alternative of the reformists and those who support them both inside and outside the country arises as an opportunity for them to cut off the revolution that is approaching fruition in El Salvador.

"The Communist Party of El Salvador rejects these claims by the reformist opposition from our position of loyalty to the revolution. As long as revolution is a genuine possibility, the duty of all revolutionaries is to carry it out and to sacrifice everything to bring about its triumph. This is what we believe and what we are resolved to do. Moreover, we think that the true prospects of a reformist opening are very remote. . . .

"The Spanish case is adduced in support of this plan; but the situation in Spain following Franco's death was very different: fascism had long since totally exhausted its historic function of scourge of the revolution; the danger of revolution did not exist, and the fascist regime had become an obstructive excrescence that survived solely because of the spirit of its 'boss,' who was still living. Precisely because of all of this, the Spanish bourgeoisie could remain united, and it was united, around the desire to democratize, which was an indispensable condition for satisfaction of its most urgent economic need for development: entry into the European Common Market.

"They also used the recent and still unsettled case of Bolivia, where a democratizing process has been started; but the Bolivian experience also strengthens our conclusions: in Bolivia it wasn't possible to begin the democratic opening until after the fascists had been overthrown (Banzer and his group) and General Asbun's attempt to restore fascism had been defeated. These were great, conflict-filled days of popular struggle and military uprising. These last turned out to be decisive. But it is precisely at this point that we find the differences from the conditions existing in El Salvador: in Bolivia there is no deeply-rooted, consolidated old right-wing military dictatorship. One of the primary marks of traditional power in Bolivia is its notable instability. The major political upheavals in that country have at times led to substantial changes in the power



structure, as in 1952, when the insurrection led by the miners destroyed the Army, and in 1971, when General Torres' government took office and an advanced anti-imperialist democratic program was nearly carried out. Of course, we cannot totally and absolutely discount the possibility that a way out of the Salvadoran crisis will be found that is similar to that in Bolivia, but in any case it can only come linked to a major fight for the overthrow of the fascists, and not through deals made at the top alone."

Resuming the theme of unity, a subject which forms the heart of his statement, Mandal offered well-founded elements from his vast repertoire of arguments:

"We don't doubt, of course,"--he said as the interview drew to a close--"that the fascists are the most dangerous chief enemy and the opposition reformists will finally join the people's antifascist group, whose strengthening in the process of fighting for the revolution will lead to a general regrouping of all social and political forces that oppose the fascists or disagree with them for some reason, including those who are not consistently democratic, much less revolutionary."

#### Revolutionary Situation About to Reach Fruition

"If we make an overall assessment of the present situation in El Salvador, it is not hard to find the characteristics of a revolutionary situation about to bear fruit, in accordance with the classic Leninist theory of revolution. In the first place, it is an obvious, objective truth that 'the underdogs,' that is, the great working masses and the Salvadoran people in general, 'no longer want to go on being governed as they have been.' In the second place, it has also become evident that 'those on top,' that is, the dominant Salvadoran classes, the Yankee imperialists, the military chiefs, the government and its teams of politicians and technocrats 'can no longer govern as they have,' and as a result they have divided, each group trying to impose its own scheme for domination to defend and save its control of the power and the capitalist system itself that depends on it, in El Salvador. In the third place, the other element of the mature revolutionary situation, the 'national crisis,' which is a political and economic crisis that involves and affects all social classes and propels into action even the most backward segments of the masses, is at an advanced stage of development.

"In order to concentrate my attention on the political factors in the present situation, I have failed to speak of the structural crisis and of the frankly critical economic situation that El Salvador is in and of how the political crisis in turn aggravates the economic crisis. However, the picture would not be complete if we did not take into account the deep structural and economic crisis our country is suffering. It is this that is the foundation of the present historical process and what makes the revolution a genuine objective possibility and not simply a desire harbored by the revolutionaries.

"All this has to do with the objective factors of the revolutionary situation in El Salvador. The subjective factor concerning the revolution has also developed extraordinarily; there are many large mass organizations; there is a widespread revolutionary consciousness as well as strong, experienced revolutionary organizations that combine political struggle and armed struggle. The full maturity of the subjective factor now depends entirely on the unity of the revolutionary forces, on the development of a single strategic focus, and on the formation of a single revolutionary leadership. We maintain that only the energetic action of the revolutionary forces can now produce the general regrouping of all the antidictatorship forces, including the reformists and simply antifascist people, in support of a historical project based on the overthrow of the fascists and the installation of a truly popular, revolutionary democratic regime. Without this regrouping, it will not be possible to take full advantage of the favorable national and international conditions now existing, nor, in general, will revolution be possible.

"Finally, I want to add a few words concerning the development of the situation in the near future. The struggle of 'the underdogs' will continue to intensify and become more energetic, despite increased repression. But it needs active and intense international solidarity, widespread, concrete internationalist support. The OAS Assembly in October should become the occasion of a large demonstration of international solidarity, especially Latin American, with our people's struggle. We all demand that the OAS condemn the murderous government of General Romero when it discusses the report of the Commission on Human Rights that visited our country in 1978. The contradictions among 'those on top' will continue to become more acute. The machinations and countermachinations of those favoring democratic opening and the fascists, their efforts to impose their respective schemes will bring none of these gangs to victory, but rather will bring aggravation of this crisis 'at the top.' They will weaken the regime politically and perhaps organically; the revolution will be able to advance, and we are sure that it will advance.

"This is our view of the present situation and of the future."

9085

CSO: 3010

PERSPECTIVES FOR BETTER RELATIONS SEEN FROM CORPUS ACCORD

Buenos Aires LA NACION in Spanish 11 Oct 79 p 8

[Text] With Brazil and Paraguay

Within thirty days' time the relations among Argentina, Brazil and Paraguay have turned away from old quarrels toward themes of common interests. Because of agreements made regarding Yacyreta, Itaipu and Corpus, new perspectives are opening for Argentina's relations with both neighbors in a variety of fields. Everything will depend on the ability and willingness of the parties in determining whether these gains will lead to others.

On 19 October, in three events to take place in Puerto Iguazu, Foz de Iguazu and Puerto Stroessner, accords will be signed which will state essentially that Argentina, Brazil and Paraguay have agreed: a) that Itaipu will have only 18 turbines, b) that Corpus will be held at a depth of 105 meters, that is, less than Argentina wanted at first but more than Brazil had said we had a right to seek, and c) that any change in the depth at Corpus, in the energy capacity of the dams or in any other measures for meeting prescribed rules will require previous approval of the three nations.

It will be no surprise if point b) above activates an internal disagreement because of the theorists and technicians who have believed a level of 110 meters is indispensable for Corpus; however, unless the details stated in point c) should turn out differently than stated, it is clear that the accords are bringing into being an important precedent in favor of Argentina's claim that the use of shared natural resources must be preceded by a system of negotiations and treaties.

Gestation

Clearly, the agreements made between Argentina and Paraguay on Yacyreta were the indispensable step toward accords on Corpus and Itaipu. The texts to be signed by representatives, surely ministers, of the three nations on 19 October began to take effect after a certain interruption in the negotiations

during May and June. Already in March, however, when Foreign Minister Pastor visited Brasilia regarding the change in governments, there were talks about the matter with the new head of Itamaraty, Minister Saraiya Guerreiro.

Argentine foreign office sources said an important contribution came from Argentine ambassadors in Asuncion, Gen Novoa, and in Brasilia, Dr Camilion, toward clearing the path to the agreement.

On Sunday 29 September, with the arrival in New York of Paraguay's foreign minister, Dr Noguez, it was possible to have a final meeting on the issue open regarding Itaipu and Corpus. There had already been three meetings on the subject between Argentina's and Brazil's foreign ministers, who were in New York also for the session of the U.N. General Assembly.

It was in New York that the agreement was made to do everything necessary to solve Itaipu and Corpus before the annual meeting of the Organization of American States to be held in La Paz, Bolivia beginning 22 October. That decision is a clear sign of the desire of the two giants of the Plata Basin and of a third nation, Paraguay, to show a harmonious front in this part of the region at a time when strong winds are blowing across America.

Corpus, holding 105 meters, will have a potential of 4000 MW [megawatts] and an energy capacity of 18,000 GWh [gigawatt hours]. Yacyreta, however, in its first stage, the only one planned at present, will have a potential of 2598 MW and an energy capacity of 17,550 GWh. The potential of Itaipu will be 4.84 times that of Yacyreta and its energy capacity 4.10 times larger.

After the signing of the accords on 19 October, it will be worth noting that concrete possibilities exist for Argentina and Brazil to begin treating properly three developments on the Upper Uruguay which directly involve them both: Garavi, San Pedro and Roncador, with an estimated potential of 1100, 370 and 1500 MW respectively. While it is true that this is looking far ahead, it is at the end of a road which can be traveled only via these accords if we are to arrive at the goal.

#### "The Worst Gift"

We must not omit, however, the strictly informative role played by Paraguay on the accords. Not only in the case of Yacyreta but also at present, Asuncion has been the channel for release of news on what was agreed with Argentina. This incontinence with the news has contrasted with the extreme prudence of Argentina's government. One feels that our officials deal with Paraguay as if the only way to know with certainty is to have conclusive documentation and knowing that a word out of place could destroy a long and patient campaign. This is why Paraguay has assumed the precedence in releasing news.



Surely it must have been a special additional problem to negotiate with the Stroessner government, besides the problems of solving each question in turn. But if Argentina has accepted the task believing that this diplomatic effort is indispensable if it is to consolidate relations with all neighbors as required in its foreign policy, it is true also that Paraguay has its reasons for leaving no flank open if possible. The fact that Paraguay voted alone in favor of Somoza in the crucial OAS meeting over the fate of the former Nicaraguan leader is no proof that Asuncion can act with absolute indifference for international and interamerican concerns. It was for a reason that the Paraguayan president, whose power is much more absolute than his enemies believe, remarked to a confidant that "the worst gift he could ever give me" was Somoza's idea to move to Paraguay.

11,989

CSO: 3010

CORPUS-ITAIPU ACCORD IN REVIEW

Videla's Assessment on Agreement

Buenos Aires CLARIN in Spanish 19 Oct 79 pp 4-5

[Interview with President Jorge Rafael Videla: "Greater Harmony between Argentina and Brazil"; date and place not given]

[Text] President Jorge Rafael Videla pointed out in exclusive statements to CLARIN that the signing of the agreement on Corpus and Itaipu "goes far beyond the reconciliation of legitimate interests. He stated that this is true "because this accord involves the most important and most profoundly significant objectives on a national scale, within the River Plate basin, and certainly throughout the South American continent.

He was looking forward to an "atmosphere of greater harmony" between Argentina, Brazil, and Paraguay and emphasized that the government of Argentina is prepared "immediately to launch the study of the future treaty on Corpus" which he termed "indispensable."

He also pointed out that Argentina's interest in the construction of binational dams with Brazil "is obvious."

Here is the text of the complete interview.

[Question] What, in your opinion, is the political significance of this accord and what specific effects will it produce in the region

[Answer] We are dealing here with an event that goes far beyond the reconciliation of the legitimate interests of the three countries through adequate harmonization of the huge projects at Corpus and Itaipu. This is true because this accord involves objectives that are much more important and that are of much more profound significance in national terms, within the area of the River Plate basin, and certainly throughout the Latin American continent.

The treaty first of all provides new evidence for Argentina's determination to overcome the obstacles to the full development of vital areas. Another

important point is to provide lasting form and content for cooperation between all countries on the River Plate basin.

In this sense, Salto Grande, Yacyreta, and Corpus are practical manifestations of a definite character, closely tied to the intent of building a modern Argentina in close interconnection with neighboring countries and fully aware that the country's own interests will be better safeguarded through equitable and united understandings.

This is precisely why this accord reflects an option similar to ours, this time on the part of Brazil and Paraguay; we can be sure that it will decisively contribute to the establishment of a climate of greater harmony among all countries in the region.

A climate that will dynamically favor the attainment of the great goals which shape our relations with our sister nations and which, primarily, cover cultural and scientific exchange, economic and technological cooperation and complementation, through the sustained development of communications and transportation.

[Question] After lengthy and sometimes varied negotiations, this accord enables us to look forward to the start of a new phase in relations with Brazil and Paraguay. Do you believe that cooperation with Brazil could be stepped up in nontraditional areas, opening the way to other types of accords, for example, the nuclear accord? When, in your judgment, will conversations be started with Paraguay to push the Corpus treaty through?

[Answer] I do not doubt that mutual relations between the three countries will be particularly favored. There are already many and varied areas of interest which link us to Brazil or Paraguay; it is natural for an accord of this tremendous significance to wind up by expanding that cooperation to fields that are not as yet sufficiently explored.

As far as the possibility of extending cooperation between Argentina and Brazil to nontraditional sectors is concerned--such as in the nuclear field which you mentioned--Argentina has at all times demonstrated its strong desire for corroboration with all sister nations, including of course the possibilities offered by its experience in research on and application of nuclear energy for peaceful purposes.

Regarding the second part of your question, I would like to tell you that we are prepared immediately to start a study of the future Corpus treaty.

This instrument of course will be indispensable when it comes to providing the legal framework necessary for the final stages of the engineering studies on this project.

At any rate, I want to stress the fact that the panorama of possibilities open toward the field of joint understandings and combined actions recently

entered their initial stage and we may certainly hope therefore that there will be a very vast spectrum of achievements covering all kinds of activities commonly shared among our peoples.

[Question] What does the implementation of Corpus mean for Argentina in the political and economic terms?

[Answer] Corpus means facing, within a few years, a singular challenge whose results will completely change the economy of the country's northern and northeastern regions, with the subsequent impact on the living conditions of their inhabitants.

The construction of two projects of the magnitude of Yacyreta and Corpus succeeding each other in terms of time there is an unprecedented task, not only in Argentina but in many other countries.

They assume the significance of a real march toward the interior, an effort aimed at fecundly consolidating our own space. They constitute, in summary, an overall response to the requirements of a future of great changes and transformations.

That future must find us in a condition capable of tackling its requirements in favor of sustained progress and of course an ever better quality of life for our peoples.

[Question] What is Argentina's interest in the development of the binational dams along the Upper Uruguay, in association with Brazil?

[Answer] Argentina's interest is obvious to the extent that these projects will provide a very considerable volume of energy, at the same time contributing to the economic growth of the area between the rivers [Mesopotamia].

On the other hand, when properly coordinated with Salto Grande, the dams along the Upper Uruguay will help toward the more adequate control of the river, for the benefit of its navigation.

The prospects deriving from this are multiple and all of them likewise are a part of the true regional growth which we have tackled without hesitation in line with the objectives that the national reorganization process sustains in this matter.

[Question] Concerning national projects, what is the status of studies on the Middle Parana?

[Answer] Those studies are developing very positively. My administration is the signing of special importance to the project, considering its multiple effects in terms of Parana river control and, particularly, its decisive contribution to the improvement of current navigation conditions all of which quite obviously will not in any way harm its high energy value.



## Economic Viewpoint Stressed

Buenos Aires CLARIN in Spanish 19 Oct 79 p 3

[Article by Gonzalo D'heres: "Economic Importance of Accord"]

[Text] The normal water level at the Corpus reservoir dam will be 105 meters above sea level. More than 18 turbines will be installed at the Itaipu dam.

These are the bases on which the three-nation accord to be signed today was worked out; the accord deals with the hydroelectric development of the Upper Parana.

But the definitions which were worked out are technical only on the surface. The agreement required tough and prolonged negotiations going far beyond considerations of that kind. This was not just a water power study designed to get the most out of the river in terms of electric power.

The hydrographic map of the Parana covers the political geography of three nations. And those national interests marked the debate above all of the purely hydroelectric criteria.

The international political significance of the accord prevails over its energy implications although the latter of course are intertwined with the agreement as such.

Electric power generation by the future Argentine-Paraguayan power plants will come to 20,292 GWh per year when the undertaking--whose project is only in the preliminary stage--has been completed.

The average annual energy flow amounts to half of the total electric power demand estimated for the next year. The installed power--4,410 Mw--will almost quadruple the current capacity of the El Chocón-Carros Colorados complex to which Salto Grande will also contribute in the end, as compared to the current figure of 1,200 Mw.

The mention of these capacities and their comparison to the biggest hydroelectric power plants now in operation in the country point up the future energy significance of Corpus and, therefore, the economic attraction which its completion will represent.

This is all the more true since the national energy plan is a wide-open thing beyond 1985 when we look forward to the addition to our current inventory of initial contributions coming from the delayed power plant at Yacyreta, to the tune of 27,000 Mw.

But that contribution which we hope to get from Corpus toward national growth cannot be divorced from the overall Argentine context; it is preceded and conditioned by this framework.

The need for this tripartite Argentine-Paraguayan-Brazilian definition--which is being implemented in today's accord--characterizes the first

central issue. It makes it clear that the Argentine presence in the region is at stake in this future achievement, along with the one at Yacyreta, of course. This, moreover, in an area which is seriously exposed to the risk of breakup.

This tremendous significance, which is so striking at first sight, assumes unique force in the light of the sequence of events preceding this plausible accord.

The terms under which the issue was resolved are practically identical to those that were brought up when negotiations were suspended unilaterally. In the meantime, the Brazilian-Paraguayan dam at Itaipu, which must be coordinated with the one at Corpus, was making headway twice as fast and the deadlines could be moved up; but the Yacyreta project ran into trouble which postponed the estimated date of its start-up.

These difficulties were overcome through hard work and they created the possibility of learning from past experience so that the same mistakes would not be repeated on the even tougher road we are starting out on.

The growing national strength, which we need in order, without obstacles, to go the diplomatic route, is even more urgent today, when it comes to implementing those projects in practice.

A tremendous effort--also implying time lost which could have been useful for the country--was necessary to achieve this goal.

To be able to tackle the project, the country faces the challenge of mastering the factors which led to this series of delays. It is obvious that the nations expressed themselves differently in diplomatic terms.

The discussions brought out the courses of action pursued by the three participating countries. Argentina's course of action expressed the dilemma which the country faces to the outside world: The handling of the frontier project and its correct combination with the neighboring project was bound to lead to the country's generic withdrawal, in contrast to Brazilian expansion, regardless of the judgment as to its model.

Long years of decreasing consumption, output drops, and decline in the provinces furthest removed from the Buenos Aires area--as in the case of the northeast zone--plus social weakness in the frontier regions surrounded the negotiations with the foreseeable dilatory consequences.

As we are heading toward the effective start of binational hydroelectric development projects on the Parana, the requirements for their practical implementation come up as clearly as the need for them.

The electrical diet, which the country is on now, the most severe we could predict for the years to come, and even more so, the urgent need for

preventing the breakup of the frontier area, force us to speed up our undertakings. But this speedup is inevitably contingent upon the activation of internal impulses, the prospects opening up for the social factors. And this opening toward the national horizon does not agree with the "economic opening" whose accentuation is shaking the foundations of Argentina today.

### Realities Beyond Accord

Buenos Aires CLARIN in Spanish 20 Oct 79 p 5

[Article by Ricardo Kirschbaum: "Review time"]

[Text] Puerto Stroessner (From Our Special Correspondent). The time has come for a review. Behind us now are the pomp, the protocol, which dragged out over these issues of geography involving three countries in less than three hours. Behind us also is the euphoria easily noticed among the Paraguayans but calmly played down by the Argentines and the Brazilians. The accord on Itaipu and Corpus has at last been completed. This is a good time to review the events and to try to figure out some of the questions that will certainly come up in the future. But let us take this in proper order. The speech by foreign minister Carlos Pastor was by far the one that most clearly brought out the dimension of the accord; it was a didactic address. It was easy to assume that the minister of foreign relations utilized this opportunity to say three or four things which had been much talked about in Argentina in recent times. Pastor not only praised the treaty. He also warned that it cannot be amended without the participation of the three countries. In other words, Pastor talked about the domestic front and at the same time stressed the character of "constant relationship" existing in the terms of the equation worked out in order to get the three sides to agree.

He said, for example, that, with a water level of 105 meters for Corpus, the dam would become one of the "world's most economical and profitable" hydro-electric projects; this also assures the operational flexibility of Itaipu which, as he put it, will be within reasonable limits required by navigation on the Parana, one of the main concerns that was most heavily emphasized by the Argentine negotiators.

"A point of complete agreement was found," he assured his listeners. "Giving Corpus adequate power and giving Itaipu suitable operational flexibility while maintaining the individual character of both facilities and while keeping national property clearly differentiated from the energy generated.

At the moment, that was the crux of the issue. Here the foreign minister tried to be very clear in his speech before the qualified audience and before the other two signers of the treaty.

In carefully measured tones, the foreign minister said that the water level at Corpus, as well as the operation and equipment of Itaipu, cannot be amended unilaterally or bilaterally. This would necessarily have to spring from a threeway agreement, he asserted.

"This means two things," the foreign minister added. "It means that we arrived at an accord which, if circumstances do not indicate otherwise, can always remain the way it is today. But if events prove that it is possible to optimize the results even further, then the door remains open for a new understanding based on mutual interest.

On the basis of the foreign minister's statement, if Itaipu increases the number of turbines from eighteen to twenty, for example, Corpus will be able to operate at a water level higher than the one agreed upon. This mechanical example--and we must keep other, no less important details in mind--means that the principle of trilaterality has been firmly laid down, in keeping with the methods used during negotiations.

Brazilian newsmen, who certainly are not crazy, then put two questions to their country's negotiators and to the foreign minister. The first one related to the concrete possibilities that might exist in terms of cancelling the agreement if the parties, at a given moment, should consider it advisable to do so. The second one was whether the pledge to trilateralize the future of these two projects did not indirectly mean accepting the thesis of "prior consultation" on the utilization of shared water power resources, an idea which Brazil rejected, still rejects, and will continue to reject in theoretical terms.

The way the newsmen pounced on foreign minister Ramiro Saraiva Guerreiro during an official reception given at Foz de Iguazu did not change the unruffled cool of the man from Itamaraty [Brazilian Foreign Office].

Putting on his most pleasant smile, he responded to these concerns. In response to the first question, Saraiva said that this type of accord could not be cancelled in keeping with international law. In answering the second question--certainly the more difficult one--the foreign minister said that Itaipu is under construction and will stay on schedule. It will be operated on the basis agreed upon yesterday but if in the future it would be decided to modify the terms of the equation, there will be no "prior consultation."

The mechanism of constant relations will be put into practice, he added.

But let us get back to Pastor's speech; it introduced an interesting disclosure which we will have to continue to watch carefully. He talked in renewed terms about river control, injecting a constructed advance into the Asuncion declaration "to the extent that the parties agree that any possible noticeable damages which might result cannot be judged unilaterally, neither by the country that claims them, nor the country that may have abused them."

The speech does not go any further in this new definition of "noticeable damages."

If the country which claims that it was damaged cannot judge the situation and if the country that may have caused the damage cannot do so either, then who shall determine the issue?



We said that Pastor also talked for domestic consumption. Let us see: The foreign minister in his speech replied to some of the criticisms that have been expressed in public or in private against the accord. It is believed that the polemic--less so on the part of the foreign ministry--has not produced any echo. Perhaps some ministry at the last moment might have tried to introduce some kind of modifications into the text which had been agreed upon for tripartite signature. The suggestion, which supposedly came from some former negotiators, was not favorably received by the administration and was filed in the end.

That leaves us with another topic which is now beginning to emerge: Negotiations with Paraguay on the future Corpus treaty.

For the time being, according to diplomatic sources, the work will continue to be handled by the mixed Argentine-Paraguayan Parana River Commission. Perhaps it will reject the model of the binational agency used for Yacyreta, seeking one similar to the mixed Argentine-Uruguayan Salto Grande Commission.

The final handshakes at the entrance to the Cataratas International Hotel at Puerto Iguazu remain as testimony of these lengthy negotiations. Now begins the second part of the store of the Upper Parana: Its first chapters will be entitled "The Price of Energy at Itaipu" and the "Corpus Treaty."

5058

CSO:3010

LATIN AMERICAN STUDENTS' PROBLEMS WEIGHED

Economic, Social Complex

Havana OCLAE in Spanish Apr 79 pp 30-43

[Article by Adolfo Gurrieri and Edelberto Torres-Silva]

[Text] The fact that Latin America's economic growth rate does not keep pace with its population growth, and the setbacks of social development in recent years, mean that those problems affecting children and youths are at the forefront of all difficulties, given that this sector of the population is the most numerous in Latin America. Now that national differences have been overcome, the general interests of the young sector of the population have made it imperative that this group be taken into consideration in any economic policy. The fate of Latin America's young generation now demands that a specific strategy be developed, taking particular note of youth's capacity to generate energies that, when properly channeled, can become a decisive force of social change and rejuvenation.

Theoretical interest in the problems of youth has not always gone hand in hand with a coherent social policy. In fact, it would seem that the lack of ties between the two has retarded the implementation of measures that would facilitate the integration of youth into our changing society. This interest is a recurrent phenomenon in social literature, and in recent years there has been an increasing number of studies and research on what is generically known as "problems of youth." This phrase is used to describe the situations which arise during a given stage of one's life when a decisive role is played by external influences and guidance as well as the meeting of certain vital needs. Thus, the interest in youth's situation is closely linked with the more general problem of the economic and social development of Latin American society.

In discussing youth as a sociological phenomenon, first we must define the term youth. This vital period seems to be conditioned by bio-psychological factors as well as socio-cultural elements, such that even within a national society youth takes on specific and diverse social forms. That is, the possible attempts to "cut down" this category direct our analysis towards classifications that specify these social forms that exist within the total structure.

Only by using a generalization which renders the conclusions unsatisfactory, can we speak in the abstract of the problem of youth. In fact, the presentation of this problem as the core of an overall theme should take into account substantially different circumstances, such as the underemployment of working-class teenagers, or the anti-authoritarian rebellion of the university student movement, generally of the middle class.

Descriptive research and theoretical studies on various segments of Latin American youth are ultimately trying to answer the question: What is youth in this day and age, and why is it becoming so critical in so many aspects? In a region such as Latin America, where youth groups and leaders were always participants in various historical crises, young people take on great importance today.

At least two explanations can be found to answer this question. One is quantitative, and is based on a demographic fact: the increasing numerical importance of youth groups in the population distribution of Latin America by age groups (we will discuss this aspect in more detail later on). The other is qualitative, and is related to the first explanation. It is manifested in pressure exerted by young people to obtain a greater share of employment, of education, of social life and even of politics. This situation is occurring at a critical moment, when channels of access are notably weak and insufficient, and therefore unable to take advantage of or modify such pressure.

In childhood, the family is the best socializing agent; but it begins to lose importance during the teen years, as preparation for adult roles involves the development of more personal independence, self-confidence and the rejection of certain forms of authority. Since the playing of those roles is based on the social recognition of people who are outside the family context, other socializing agents take on more importance. In the modern world, these other agents further reduce the role played by the family group. This is probably the most significant phenomenon affecting the youth of this society, a society which is modernizing very rapidly in some areas and is dislocating the traditional bases of preparation for adulthood. Not only is the educational system expanding its functions as a socializing agent, but also the increasing importance of friends or peer groups of the same age makes it possible for the hypertrophic mass media to exert a decisive influence on youth. There has not been enough intensive research in the importance of movies and radio, of magazines aimed at the young readership, and of television, for Latin American youths, especially those who are most receptive to such influence. Certainly youths in general constitute a very psychologically dependent group, from a certain point of view. In order to complete their process of "identification," they need to internalize symbols, values and norms which are being provided increasingly by the modern mass media. Much of the media is controlled by commercial entities, and its goals having nothing to do with the cultural and spiritual education of teenagers. The mass media thus promote a symbolic culture which "distorts" the socialization of youths with respect to an ideal model or pattern.

We should add that these socialization problems in a changing world have diverse expressions, and their consequences vary as the social disparities in each national society widen. Some groups of the new generation encounter adaptation difficulties when they try to develop innovative habits and social behaviors not heretofore recognized by the adult world. Eccentric or disorderly conduct, apparently unwarranted manifestations of rebellion, a certain degree of abandonment of official values, and in general, new forms of expressing the vital energy that characterizes this period, all correspond to the maladjustment that results from the type of change that contemporary society is undergoing, including Latin American society with all its structural imbalances. On the other hand, other sectors limit their desires to conform according to the manner in which the institutional structure functions, as expressed by the problems they encounter at school or work, at a time when these aspirations constitute real needs based on their socio-economic backgrounds. Such is the case, for example, of a working-class boy or girl who is unable to go to school because of low income, but who is also unable to work because the demand for manpower is constantly diminishing in relative terms.

Nor can we speak of the "problem" of Latin American youth in general terms. It would seem imprudent to ignore the differences which derive from a different socio-historical background, thus confusing very diverse situations such as those which youths certainly confront in Argentina or Nicaragua, just to give one example. Analysis of the situation and of the problems of Latin American youth must be based on the facts, considerations and information which emphasize the particular way of life of each country or group of countries with more or less common features. The development differences between Mexico and Haiti, moreover, are as great as those which distinguish a young peasant of Northeastern Brazil from a young resident of the modern city of Sao Paulo.

In recent years there has been a more systematic recognition of the problems facing the young people of Latin America, as the role of the various sectors and groups of the youthful population have been acknowledged as they relate to the national effort to attain higher standards of living and better general well-being. The Latin American Conference on Youths and Children (Santiago Chile, December 1965) and national and technical reports that were presented there, attest to the degree of such concern. This work indicates that it is just as important to ensure greater well-being and new opportunities for youths as they prepare for adulthood, as it is to utilize the creative potential of youth groups in the modernization of national societies.

Development plans in general, and the measures adopted in the human resources sector in particular, stress in almost all countries of the region the consequences which change must have in terms of direct benefits to youth through the creation of new and broader educational, employment, recreational and entertainment opportunities. Some plans already implemented emphasize the role of young people as social agents in the process of change, and try to create the necessary conditions for effective actions by youths in that capacity. In this manner, the problems facing authorities are not just limited



to attention to the so-called social investments such as hospitals, schools and recreational areas, for example, since there is a need to establish a propitious climate and encourage the participation of the many youth groups in the tasks involved in modernizing the national community.

Helping young people to become a social sector in their own right, a sector that will be useful to society, constitutes the core of a common set of problems. This situation has been characterized by various delays and obstacles resulting from a more general problem linked to the structure and operation of the economic and political systems of the various Latin American societies. Most of them have gone through a period of slow economic growth--whose causes will not be discussed here--which has been manifested in the limited productive absorption of a labor force that is swelling as a result of population growth. This dynamic insufficiency has a serious effect on the youths who yearly join the labor force, whether in rural areas or in the cities. The same thing has happened in politics, where opportunities for participation have not increased as a consequence of power structures which tend to limit such opportunities, or expand them less than expected.

#### Demographic Aspects of Latin American Youth

It is well known that one of the demographic features of underdeveloped countries is the specific weight of the youthful population (for these purposes, that population is defined as all those under the age of 20): In Latin America, 51.7 percent of the population is under that age; on the other hand, demographic studies based on the most recent censuses contradict expectations stemming from the general improvement in hospital and health services and the expansion of government social assistance. Usually, the reduction of the mortality rate increases life expectancy and plays a key role in a gradual elevation of the population's average age.

However, the results were just the opposite. Strange as it may seem, "the effect of the reduced mortality rate has been a lower average age of the population, not a higher one."<sup>1</sup>

The trend observed in the data from the last 15 years confirms this statement, although we should point out greater or lesser variations among the different countries in Latin America. There are probably equally notable differences between the urban-industrial areas and the depressed rural areas. Compare the proportion of youths, for example, in Nicaragua (57.9 percent), with that of Argentina (39.1 percent).

Since the birth rate is more important than the death rate in explaining the lower average age of the Latin American population--although other hypotheses have been put forth--in that the low mortality rate occurs mainly in the first years of life, the variations from country to country in this region are probably also due to the different fertility rates. In countries where the birth rate is higher, the population between the ages of 0 and 6 (pre-school years) is relatively more important than other age groups. Research in this field indicates, moreover, that in both relative and absolute terms the number of

youths and children in the population of Latin America has been increasing since World War II, and will continue to rise for some time unless the level of fertility begins to decline notably.<sup>2</sup>

The social problems arising from this demographic trend sometimes seem to be included in the so-called population explosion. It is certainly true that the effects of that phenomenon assume the active presence or the potential "mobilization" of teenagers (14-19 or 14-24 years), who are becoming increasingly important in general terms. Their importance also derives from the social, cultural and political nature of that mobilization. These youths are becoming more and more significant in urban areas, because there they can exert greater pressure on economic structures and the political and cultural institutions of society at large. The search for job and education possibilities, for example, is part of that social pressure, which is becoming harder and harder for society to cope with. Another contribution of demographic studies at the end of the fifties was the realization that there are relatively more youths in rural areas and more adults in urban areas.<sup>3</sup> However, a more careful analysis of recent trends seems to indicate that the rural population of Latin America has more children, while there is a predominance of teenagers aged 14 to 24 years in the cities. This situation could be due to a greater fertility rate in rural areas, adult migration to the cities, or a combination of those factors. Some field studies on a micro-sociological level have already established the importance of the migration of youths, usually to urban centers, a fact that is now being partially confirmed by the comparison of ages in censuses of different dates.

Furthermore, it is necessary to determine the differences between the sexes in terms of migration, since the presence of the female population in this type of horizontal mobility is relatively more significant than that of men. Women also begin this migration at an earlier age than men. Most Latin American countries have a relative imbalance in the urban population, with women outnumbering men, a factor which has many different social consequences. Thus, female labor employed in the manufacturing sector is decreasing in relative terms, or is increasing at a slower rate than other sectors. The result is that young women migrating from rural areas are restricted to unproductive jobs (domestic work or other low-income occupations), to chronic unemployment or to overt or covert prostitution. In general, the youths of urban areas are underemployed.

The Latin American labor force includes quite a large number of young people, although since 1950 that figure has been dropping. There are two probable causes for that decline, as indicated by partial studies and common sense. One cause is the upswing in the number of years each student spends in school, which delays his or her entry into the labor market, and the noteworthy relative increase in the number of students attending school in the last two decades.

The other reason has to do with problems in obtaining work, since standards of qualification and efficiency are always being raised. Youth employment, especially for those aged 15 to 19 (who fall within the socio-biological

definition of youth), reflects the important contribution of this sector to family income, as well as its relative indifference to or exclusion from higher education and professional training. The percentage of working youths varies from 87 percent in the least developed countries of Latin America, to an average of 73 percent in the more developed countries.<sup>4</sup>

Taking into consideration that the number of youths aged 15 to 19 years who are in school amounts to less than 10 percent of the total, on the average, it is obvious that there is a large number of unemployed or inactive youths in Latin America. In fact, subtracting from the total number of this age group that are either working, studying, or doing both, we are left with an inactive youthful population amounting to 23 percent in Chile, 25 in Peru, 24 in Venezuela, 30 in Ecuador, 36 in Costa Rica, 32 in El Salvador, 40 in Guatemala, 37 in Honduras, 40 in Mexico, 35 in Nicaragua and 28 in Panama.

Unemployment, which affects vast numbers of youths, is as serious as underemployment. The latter has become a social and economic factor inherent in Latin American development. It is well known that in rural areas in many countries of this region, the employment of youths and children is not a definite labor strategy; it has no specific function, and therefore is considered a complement to adult labor. As a result, unpaid work is the first experience many rural teenagers have on the labor market.

The above considerations are simply a very general outline of some comments that have been made on the situation, based on statistical data. In these comments, youth appears to be a census category or a unit of demographic analysis. Let us look now, albeit briefly, at some of the most significant problems facing what are known as the most important sectors of the youthful population of Latin America, sociologically speaking, according to the above criteria.

#### Students

The problems created by the unequal and sometimes declining modernization of Latin American societies affect youth in many ways. Due to the position of students in the social structure, they feel or perceive these problems much more intensely, and have more opportunities to participate actively, eventually influencing the general issues of society. The reason for this is that the so-called student sectors are mainly recruited from the middle social strata, especially in the urban areas where these strata are located and where educational facilities and opportunities are more prevalent.

One of the peculiar characteristics of Latin American development in the last 15 years has been the relative expansion of the educational system in response to structural trends, economic stagnation or reduced growth. Popular education, long demanded by liberals, was one of the most common means of social mobility. However, this expansion has not been broad enough, in relation to the real needs of the burgeoning population and the growth process in particular.<sup>5</sup> The fact that equal opportunities are limited or completely absent for the low-income sectors is a common situation in all countries of the region,



although discrimination is more severe in Central America (with the exception of Costa Rica), Haiti, Santo Domingo, Peru and Bolivia, and to a lesser extent in Uruguay, Argentina and Chile, where an attempt has been made to attain the ideal of mandatory and free primary education for all.\*

The cultural and social situation of this group certainly helps explain a unique trait of Latin American students: their degree of organization and their coordinated actions both within and outside the limits of their educational centers.

This is particularly noteworthy among university students, whose long tradition (50 years) of activism has given them the reputation of being the most politically active and powerful student group in the world.<sup>6</sup> This situation, apparently present in all countries of the region, takes on special significance in those nations where the possibilities for organization and political activity are not institutionally recognized for all social groups equally.

The radicalization of students, and especially the vigorous activism of their organizations in more than just union-type activities, cannot be considered simply a persistent inclination to reject the values of the adult world on the part of a transitory age group. It constitutes an effort to join the adult world in a critical and active manner, motivated by the objectivity, sense of justice and particular sensitivity that characterize youth. Thus, student problems should be seen as problems of society as a whole, and national political life should include students. Significant numbers of youths participate in public activities in their countries through student struggles in the name of rights, or as representatives of other social groups.

The above-mentioned factors have been described and confirmed by many studies concerning ideologies and student activism in developing countries. An exploratory study of university students' opinions and attitudes in Brazil revealed that an appreciable majority were opposed to things such as the blockade against Cuba and the Alliance for Progress.<sup>7</sup> In order to obtain the passing of a new Organic Law for Universities, the students managed to organize a demonstration in 1958 in which 200,000 people participated, in Montevideo.<sup>8</sup> The student movement played probably the most important role in achieving political reform after World War II in several Central American countries, as well as Venezuela, Ecuador and others. This dual situation, in which youths are both citizens and students, is dealt with in a study based on a sampling of Uruguayan and Panamanian students. The results revealed that radicalization is always accompanied by active participation in national politics.<sup>9</sup>

Eighty percent of the students interviewed at the University of Buenos Aires in 1964 claimed to be interested in political issues, and 25 percent of them belonged to various parties.

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\* After this issue went to press, it became apparent that as a result of the military coups that recently took place in the Southern Cone, this situation has deteriorated considerably due to blatant intervention in the education sector by repressive forces. -- Ed.



The critical attitude of students varies not only internally, but also as a function of the institutional climate of the various countries and historical moments. Such attitudes imply not a rejection of the reconstituted order, but a reaction, characteristic of that age, to the persistent imbalance of some institutions or to the process of change. Aside from the issues stemming from the bottleneck that results from blocked channels of access to higher levels of education, and as a consequence of the other feature of the behavior of the economic system, one problem that is of increasing concern to students is manifested in the distortion between the supply of professionals and society's real capacity to absorb and utilize that supply. A low wage, for example, is one way of underestimating the quality of a young professional. This problem, together with a true lack of opportunities, has resulted in a "brain drain" to more developed countries. This virtual squandering of qualified human resources has taken on alarming proportions. Nonetheless, in more than one sector of productive or cultural activity, there is a need for qualified personnel to manage the techniques or the application of modern know-how. There is a vacuum which could be filled by young students, thus satisfying the double need to adjust to society and to contribute to its progress.

The latter need is closely linked to the role that the young generation of Latin American students aspires to play in the various national societies. The content of their aspirations and ideals, which facilitates the assumption of radical positions, is to a great extent determined by the challenges and problems presented by the societies' social and economic development. This affects not only their chances of obtaining the know-how that will enable them to play their role effectively, but also their opportunity to realize their potential by contributing to the integral progress of their countries. Youth's rebellious attitude and search for new perspectives in a world that is changing by means of contradictions, are significant characteristics of this important sector of Latin American society.

#### Poor Urban Youth

This sector of the youthful population, unlike the students, has not been specifically studied by sociologists. Its situation and prospects can be inferred from the many studies made concerning the marginal neighborhoods of cities, the process of urbanization, and the corresponding emergence of "poverty belts" around the cities. This has been one of the favorite topics of Latin American sociologists in recent years, and it is responsible for the fact that much is known about the standards of living, family composition, occupational and educational characteristics, and aspirations of those who inhabit those urban neighborhoods. The above-mentioned studies permit the proposal of some general hypotheses regarding the situation of poor urban youth that could be of use in future research. On a general level, it has been said that Latin American youth is in a "perplexing" situation that distinguishes it from other skeptical or rebellious youth of other parts of the world.<sup>10</sup> This confusion, which includes elements of uncertainty and anxiety, is characteristic of the youth being analyzed here. What are the causes of such an attitude, and why is it concentrated in this sector of Latin American youth?

Basically this attitude is a consequence of a social situation that causes youths to reject the surrounding world, but does not at the same time give them the tools to psychologically design and objectively implement a life plan that is consistent with their aspirations.

Young people's rejection of their environment may be explained by their participation in the "revolution of higher expectations." They are no longer content with their social position, and are trying to attain a standard of living that is compatible with what they perceive as the level of more developed countries. This perception serves to "legitimize" their aspirations and to transform them into a key factor in youthful behavior. Some authors assume that the "expectations revolution" has an equal effect on all people who are on the lower levels of the social hierarchy. However, it is conceivable that the youths on this level are the most inclined to adhere to this notion, especially because of their ability to participate "symbolically" in socio-cultural contexts that are objectively foreign to them. This ability, moreover, derives from the cultural definition of youth: the period of transition that temporarily frees the subject from responsibilities or adherence to his real-life living situation.

Young people's reluctance to adjust to the world around them could lead them to open rebellion. However, there are social conditions that limit the possible spreading of this attitude; in other words, the complexity of their social situation inclines them, on the one hand, to reject the lifestyle that society has apparently allotted them, and on the other hand, it forces them to adapt to it, albeit imperfectly.

In earlier paragraphs we indicated that their ability to participate symbolically in other lifestyles stems from their low social level at present, as well as the fact that their young age encourages this attitude because they are in a transition period between the "social horizons" of childhood and adulthood. The longer this period lasts, the more likely it is that organizations and, in general, modes of behavior, will emerge in accordance with the basic attitudes of youth.

Poor urban youth has, for lack of a better term, an abbreviated youth; the gap between childhood and adulthood is so narrow that no matter how deeply imbedded the attitudes acquired during this period become, they cannot become socially crystallized in significant behavior patterns. Premature entry in the labor force and their early childhood upbringing cause them to join the adult world precociously, and thus they are prevented from fully experiencing their youth. For this reason there is no "youth culture" in these sectors of the population, nor is there a separate set of norms for youth, and this means that their relationship with society at large is not perceived as that of a separate entity. Therefore, their rejection of their surroundings does not usually result in rebelliousness, but in confusion. Over the years this confusion often becomes an attitude favoring the improvement of the individual's situation, but in most cases the result is a skeptical acceptance of one's fate.

It would be interesting to investigate the consequences of this situation with regard to the youths' adaptation to the different social institutions and groups.

Concerning the family, for example, the defective process of socialization as a result of the absence of the father figure as a behavior model, has been blamed consistently. This factor has always been interpreted as a result of the father's lack of family responsibility and his corresponding absence from the family, whether it be psychological or real. There is no doubt that the father's behavior is of the utmost importance in the socialization process that takes place in the family; however, we must also look at the apparently paradoxical fact that even though the parents may have a close relationship with their children, in many cases they are not "reference persons" which the young people can use to organize their image of society and of themselves.<sup>11</sup>

Perhaps the youths perceive their parents as concrete representatives of a lifestyle that they reject.

There is not much basis for thinking that this brief description is a pessimistic vision of the prospects for the poor urban youth of Latin America. Rather, it represents an attempt to present a realistic picture that will force social planners to perceive the problems of youth as the youths themselves experience them, that is, closely tied to the development of their society. There is no planning for Latin American youth that does not need to establish from the beginning what the relation is between this sector and the general development strategy. However, as the problems of these youths were set forth here, it could be said that no short- or medium-term development is possible that could fulfill youth's ambitions; this is at least partially true in the majority of Latin American countries, but it cannot be used as an excuse to halt any specific action in that area.

A possible solution lies in taking advantage of the relation between youth and development. Why not implement concrete forms of youthful participation in order to achieve a better standard of living for society as a whole?

On the one hand, youth always has a "potential for social reform" which, when realized, would strengthen any action towards social progress; on the other hand, this very participation would bring about new attitudes among young people so that those who are confused today would be able to determine their own destiny.<sup>12</sup> Their social environment would no longer be foreign to them or beyond their control; it would be material they could use to build their own future.

#### Rural Youth

While students have been the subject of extensive studies, and the urban poor have merited some studies that highlighted their most common features, the rural youth of Latin America constitute an unexplored area. For that reason



we are unable to present a detailed description of that sector here; rather, we will just outline some hypotheses that can orient future research.

The first question that must be asked in this respect is if rural youth constitute an objective entity, a social group, or just an analytical category. In any case, can they be considered a socially and culturally homogeneous group in Latin America? Generally speaking, it can be said that in Latin America the further down one goes in the social hierarchy, youth tends to disappear as a culturally significant entity. While youth is a brief period for the poor young people of the cities, insufficient to allow them to clearly define a specific lifestyle of "youth culture," for rural people youth is but an instant; it cannot be defined as having any characteristics of its own. Early entry into the labor market is the clearest indication that childhood overlaps prematurely with adulthood. As Paul Bode pointed out many years ago,<sup>13</sup> youth per se does not exist in rural areas, because young peasants are, to use a play on words, more peasant than young.

This does not in any way mean that the concept of youth should be eliminated from the theoretical framework of analyses of the structure and functioning of the rural population of Latin America. It can be justified for two basic reasons: first of all, because of the numerical importance of this sector and the serious nature of the problems that require urgent solutions, and secondly because of their potential for social reform. Latin American society still has a "youth" population which is predominantly rural. Thus, rural youths in these countries make up one of the basic sources of "human resources." If these people are lacking in education, they join the labor market early, most often in low-paying jobs; they hardly have any say in the fundamental decisions regarding the progress of their society, and for all these reasons they do not have much opportunity to plan or live a better life. The poverty of this sector today is a good indication of what these countries' future will be like.

However, if rural youth is justified as a concept because it constitutes the "human resources of the future," it should also be maintained as a category of analysis in studying the circumstances under which this sector can become the dynamic vanguard of the social stratus to which it belongs. Due to the typical lifestyle of rural communities, young people are immersed in the life of the institutions that characterize these communities, but they suffer more intensely from the basic contradiction that affects them, to the extent that they are undergoing a process of incorporation: on the one hand, deep-rooted social differences--some authors claim that there are castes in some Latin American rural areas--and on the other hand, a marked increase in communication between rural areas and urban areas whose basic consequence is an erosion of the legitimacy of these differences. Migration from the country to the city and the expansion of communication have accentuated the cultural contacts and spread the process of "rural urbanization."

Under such peculiar conditions, in the coming years we will probably see the emergence of a rural youth with characteristics of its own. Its primary feature will not be opposition to the adult world, but an attempt to be in the vanguard of liberation.



These general considerations should be tempered, because it is obvious that the rural youth of Latin America cannot be considered structurally homogeneous. The diversity of ways of ordering production and land ownership, the different types of community organization, the presence of different ethnic groups and varied relations among them, the presence of similar standards of living in the different areas, the fact that the different countries have varying degrees of interest in promoting rural development, etc., all mean that there are many types of peasants, and therefore of rural youth. There is no doubt that common aspects can be found, but it must be emphasized that it would be wrong to forcibly lump together a resident of a Peruvian hacienda with a peon on an Argentine livestock ranch with a peasant on a Central American plantation. In recent years many sociological studies have obscured these differences, based on the fact that the Latin American countries seem to have a "dual" structure, that is, a modern, urban side and a traditional, rural side.

The problem of rural social development seemed to lie in finding the means to lessen the impact of "traditional" values, which were supposedly one of the main obstacles to rural development. Now the predominant views stress the existence of concrete ties between the rural and urban areas of Latin American societies, especially on the higher levels of the power structure. These theories indicate that the solution to "rural problems" lies in changing the overall society.

Therefore, the researcher who is concerned with the relationship between youth and development should pay attention to the conditions which "mobilize" Latin American rural youth in the various socio-cultural contexts where they are found.

#### Need for a Planning-Oriented Theory of Youth

In the preceding pages we have outlined some hypotheses about Latin American youth that highlight the complexity of this situation, as well as the problems that await those who attempt to study it. It seems appropriate to conclude this report with some reflections that could serve to orient research and planning in this field.

The planner who tries to design policies on youth should start with a definition of the object of analysis and action. For this purpose he should look to the knowledge accumulated in the various disciplines where this topic has been studied. Each of these disciplines, from its own point of view, will help clear up, at least partially, the basic nature of the phenomenon of youth.

It is therefore necessary to present the approach taken by each one in order to decide which would be most appropriate for orienting actions directed at youth.

In the first place, the psycho-biological approach considers youth to be a vital period characterized by a peculiar series of psychological reactions that respond to physiological changes unique to that stage of life. From this point of view, the process of biological maturation is the most inter-

esting phenomenon, as it represents the fundamental cause of the psychological problems that affect youths.<sup>14</sup>

In the second place, the anthropological-cultural approach pays special attention to the influence of the socio-cultural context on youths where they are socialized.

This approach contributed a great deal to weakening the theory that postulated the existence of a "similar" period in different cultures, as a result of studies of diverse societies in Europe or North America.<sup>15</sup>

In the third place, the psycho-social or personality approach, concerned with establishing typologies of the youthful personality is based on coherent series of motivations and attitudes.<sup>16</sup> In the fourth place we have the demographic approach, which considers youth as a segment of the total population, and studies the structure and dynamics of labor, education, etc.<sup>17</sup>

In the fifth place, the sociological approach gives special significance to the process of incorporating youths into adulthood from two basic points of view: on the one hand, beginning with an analysis of the local and overall social structure in which the young person develops, paying special attention to the institutions and groups in which the socialization process takes place; and on the other hand, studying the inconsistencies and imbalances that are produced when the youth's aspirations and desires are confronted with the possibilities that society offers.<sup>18</sup>

Another approach is the political-social one, which tries to cover the process of upbringing and education, objectives and forms of organization and action in youth movements, and their influence on social dynamics.<sup>19</sup>

In view of this diversity of orientations, if the planner tries to get to the heart of the problems facing Latin American youth, he must answer the fundamental question as to what is the most appropriate approach to his studies. The usefulness of the different points of view can be evaluated according to each one's ability to provide an overall and operative perspective that permits almost from the beginning the tracing of concrete policies on youth, and the proposal of specific studies on the basic problems of youth. With this criterion in mind, it seems logical to state that the most appropriate approach would be a combination of the demographic, sociological and political-social points of view. This would enable the planner to make a preliminary analysis of the situation of youth, as well as determine some of the basic roots of the problems, to be used as a basis of operation. This methodological position, far from discrediting the other approaches, would only postpone their systematic use. This initial selection of approaches only solves the first problem of the planner, since as soon as he begins to analyze the theories that appear in the three points of view selected, he will see that they can only provide a general orientation which would not be enough to establish concrete policies on youth. It is clear that the greatest problems in the development of a general theory on youth in Latin America stem from the lack of studies and the absence of consistent abstracts of existing studies. These diffi-

culties are complicated further when an attempt is made to generalize hypotheses from one sector of youths to another, given the great diversity of situations even within a single country.<sup>20</sup> Some general objectives can be gleaned from existing analyses, such as the need for technical and cultural education to prepare youths to participate actively in their society and to strengthen family unity,<sup>21</sup> objectives that are actually correct even if they are not enough to orient specific policies.

Having reached this point, the social planner knows that he cannot hide behind the oft-mentioned "need for more studies," since he must provide advice to others. This advice is requested with an urgency that does not correspond to the slow pace of research required by traditional academic sociology. A sociology of youth oriented towards planning thus presupposes not only a selection of approaches and problems from a theoretical point of view, but also a methodology that enables the planner to overcome the classic dichotomy between research and action.

In other words, the problem consists of designing a working plan that at the same time allows for the development of theory and the orientation of policies, and can do so on an increasingly high level.

At this point we must make explicit an assumption that has already been outlined on the preceding pages: if, theoretically speaking, the problems of youth only have significance within the overall framework--economic, social, political, cultural, etc.--in terms of planning action these problems should be clearly and systematically linked to more general problems of national development. What would be the nature of this theoretical-practical social strategy as it relates to youth?

First of all, we must define a "contextual unit" which includes youth; it will be the basic unit of analysis. The national society seems to be the appropriate contextual unit, for two fundamental reasons: because it represents a unity of values, norms and symbols which form the basis of the behavior of those who belong to the unit, and because it is the basis for the development problems which include the "youth question." The national society represents the socio-cultural unit, which is the context of the theory of youth, as well as the political-administrative unit which planning praxis requires. From the point of view of analysis and action, using the national society as the contextual unit means determining national youth problems that together would form the basis of a regional strategy on this issue.

With the contextual unit defined in this manner, the analysis of youth's problems in national societies should be undertaken in a comprehensive way, considering three types of combined studies:

a) An analysis of youth's situation in each country using demographic, sociological and political-social approaches, as mentioned earlier, as well as using existing secondary materials, selected interviews and an in situ picture. It is no secret that the lack of a more precise view of young people's problems is the result, to a great extent, of a paucity of knowledge about existing



studies and experiences. The latter should be collected and systematized;

b) A study of the general characteristics of the country's economic and social structure, and of the type of development strategy that has been chosen, so that the problems of youth can be cited in this context. This type of analysis should also be based on existing studies for each society;

c) A description of the political-administrative organization of the country, paying particular attention to the structure, functions and activities of the institutions that are completely or partially devoted to youth problems.

These three types of studies, when combined, would provide an overall initial picture, and it will be comprehensive for two reasons: because it will be based on the findings of various specialized disciplines, combined with a unified perspective, and because it will be able to interpret the problems of youth as they are linked to those of the overall social structure in which they occur. The picture will be initial, because it will not be the result of exhaustive studies in which each of the many problems present in the national society in question will have been analyzed in detail. Rather, it will be a provisional series of hypotheses built with the partial data and analyses that are available.

The usefulness of this method lies in its ability to orient. It will point out the most important social problems and orient the specific projects related to youth in the direction of those problems. It will also make possible the location of strategic points that merit careful study. The specific actions, projects and studies deriving from this initial plan will allow for the accumulation of knowledge--it must be noted that any policy can be considered a quasi-experiment during its implementation, in methodological terms--to corroborate and complement it.

In sum, this working plan is based on the acceptance of some assumptions that must be explained. In the first place, the diversity of situations presented by the countries of Latin America with regard to the situation of youth, and therefore the need to limit the studies and actions to the framework of the national societies, without trying to develop plans that would encompass all of them. This does not in any way mean that there can be no real unity within this diversity; it just means that an a priori, overall, analytical plan is too abstract to fulfill its indispensable orienting function. In the second place, the assumption is that young people's problems should not be studied in isolation, but in connection with the concrete structure and dynamics of the national society in which they occur. The third assumption is that there is a broad range of studies, often forgotten, which were undertaken in recent decades in response to a greater awareness of the need to develop. The systematic and critical use of these studies may permit us to establish initial, overall plans concerning the problems of youth in each national society.



# FOOTNOTES

1. CELADE: "Aspectos demograficos de la infancia y de la juventud en la America Latina" [Demographic aspects of childhood and youth in Latin America] (ST/ECLA/Conf./20/L. 7), reprinted in UNICEF: "Seleccion de documentos presentados en la Conferencia Latinoamericana sobre la Infancia y la Juventud en el desarrollo nacional"[Selected documents presented at the Latin American Conference on Childhood and Youth in national development]. (Mexico, 1966) pp. 221-46.
2. Ibid., p. 227.
3. "Report on the World Social Situation," 1957 (E/CN. 5/324/Rev. 1), United Nations publication (sales number 57. IV. 3), p. 121.
4. In the first group are Haiti, Honduras, Guatemala, Nicaragua, El Salvador, Bolivia and the Dominican Republic; in the other are Argentina, Chile, Venezuela, Cuba and Panama.
5. It should be pointed out that the relative increase in educational opportunities was not always accompanied by the modernization of educational materials, nor was the educational structure adapted to the demands of industrial development and change in general.
6. Joseph Fischer, "The University Student in South and South-East Asia," in MINERVA, vol. II n. 1, Fall 1963, p. 40.
7. G.A. Dillon Soares, "The Active Few: Student Ideology and Participation in Developing Countries," in COMPARATIVE EDUCATIONAL REVIEW, vol. V, pp. 10-12.
8. A.E. Solari: "Los movimientos estudiantiles universitarios en America Latina, Comunicacion al VIII Congreso Latinoamericano de Sociologia, San Salvador"[University student movements in Latin America, paper sent to the Eighth Latin American Sociology Congress, San Salvador], September 1967, p. 6.
9. G.A. Dillon Soares, loc. cit.
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11. See Adolfo Gurrieri, "Situacion y perspectiva de la juventud en una poblacion urbana popular" [Situation and prospects of youth in an urban ghetto], in REVISTA MEXICANA DE SOCIOLOGIA, Vol. XXVIII, no. 3 July-September 1966, reprinted infra pp. 35 and following pages.

12. K. Mannheim, "Diagnostico de nuestro tiempo" [Diagnosis of our times], Chapter III, Mexico, Fondo de Cultura Economica, 1946. Mannheim presents the sociological prospects of youth with great precision, and puts forth some hypotheses on the dynamism of this sector.
13. Paul Bode, "Land, Lading und Landjugend," in A. Busemann, Handbuch der pädagogischen Milieujunde (Halle, 1932).
14. These hypotheses are presented, for example, in the classic works of Stanley Hall. See especially Adolescence: Its Psychology and Its Relation to Physiology, Anthropology, Sociology, Sex, Crime, Religion and Education (New York, Appleton and Co., 1904).
15. See for example, Margaret Mead, Coming of Age in Samoa, A Study of Adolescence and Sex in Primitive Societies (1st Edition, New York, 1928). The Spanish version is entitled: Adolescencia y cultura en Samoa, Buenos Aires, Paidós, 1945.
16. There is an overwhelming number of typologies constructed to characterize the psychosocial variety that is found in youth. One example is David Marza, "Subterranean Traditions of Youth," in The Annals, November 1961. He analyzes three examples of youth "rebellion": the delinquent, the radical and the beatnik.
17. A study of this type is the above-mentioned CELADE work, "Aspectos demograficos de la infancia y la juventud en America Latina," ST/ECLA/Conf. 20/ 1. 7.
18. A classic work using this approach is that of Edward Spranger, Psicologia de la edad juvenil [Psychology of youth] (1924) of which there is a recent edition (Madrid, Alianza Editorial).
19. An excellent example of this type of study is that of Aldo Solari, Los movimientos estudiantiles universitarios en America Latina, 1967.
20. "Youth is not the same in all social or political systems, in all stages of economic development or in all social strata. Quite the contrary: the international discussion on the problems of youth has been greatly hindered by the variety of social forms of this human phenomenon." (Leopoldo Rosenmayer, "Towards an Overview of Youth Sociology" in INTERNATIONAL SOCIAL SCIENCES JOURNAL, Vol. XX no. 2, 1968).
21. See UNICEF: "La infancia y la juventud en el desarrollo nacional en Latinoamerica," [Youth and childhood in Latin American national development] Mexico, 1966; and "Conclusiones preliminares de la mesa redonda sobre promocion de politicas en favor de la familia infancia y juventud en America Latina" [Preliminary conclusions of the round table discussion on the promotion of policies favoring the family, children and youth in Latin America], Santiago de Chile, 1968, mimeograph.

## OCLAE Drive on Prisoners

Havana JUVENTUD REBELDE in Spanish 10 Oct 79 p 4

[Text] On the occasion of 10 October, a day set aside to call for the release of student political prisoners in Latin America and the Caribbean, the permanent secretariat of the Continental Organization of Latin American Students (OCLAE) issued a communique calling upon all member groups, representatives or members of democratic and progressive organizations to coordinate and carry out an international campaign for the release of unjustly imprisoned youths.

The document states that six decades ago the struggle began in Latin America for democratization of education and university reform, demands that appeared in the Liminar Manifesto of Cordova.

The student struggle has not been limited during the past 60 years to demands of this type, because the youth of America could not stand back and watch the horrible living conditions of the population of Latin America. These people are oppressed by poverty, illiteracy, malnutrition and premature death.

In view of such a dramatic situation, OCLAE calls upon the progressive forces of the world to join the movement to express support for a campaign to release the prisoners, put an end to torture and decree a far-reaching amnesty for all prisoners who have been persecuted for their democratic ideals.

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CSO: 3010

INTER-AMERICAN AFFAIRS

SELA FERTILIZER MEETING OPENS IN HAVANA

FL140057 Havana Domestic Service in Spanish 0000 GMT 14 Nov 79 FL

[Text] The fourth meeting of the Latin American Economic System [SELA] fertilizer committee opened today at the Palace of Conventions in this capital. Marcelo Fernandez, Cuban foreign trade minister, made the opening address at the meeting. He stated that the working committee on fertilizers is one of the first groups created by SELA, which is also by happy coincidence the first to establish a multinational enterprise within the system in accordance with one of the basic objectives of the Panama agreement. Later on he stated that the Latin American Multinational Fertilizer Trading Enterprise [MULTIFER] will begin operating early next year, headquartered in Panama.

According to the feasibility study in 1980 the MULTIFER enterprise should trade an estimated 2 million metric tons of fertilizers valued at \$150 million.

In his address at the meeting Gustavo R. Gonzalez, Panamanian planning minister, stated that the time is right to progress through concrete steps to establish this enterprise which includes in it the ideal ways of solving our problems.

Attending the meeting are delegates from Costa Rica, Cuba, El Salvador, Guatemala, Guyana, Jamaica, Mexico, Panama, Peru, Trinidad and Tobago, Venezuela and Nicaragua who is attending as an observer.

CSO: 3010



## INTER-AMERICAN AFFAIRS

### BRIEFS

VENEZUELA-ECUADOR OIL PACT--Caracas, 31 October (ANSA)--It was announced here today that Venezuela and Ecuador will soon begin a program of technical cooperation in the area of hydrocarbons, mining and energy planning. The agreement was reached during the visit to Quito made by the minister of energy and mines, Humberto Calderon Berti, who met with Ecuadorean President Jaime Roldos and the latter country's minister of resources, Mauricio Davalos. In addition to the agreement on mutual cooperation, during the talks a review was made of the status of hydrocarbon prices on the international markets and the measures which OPEC should adopt in order to establish an effective mechanism for financial cooperation with the Third World countries which are not oil producers. [Text] [Quito EL COMERCIO in Spanish 1 Nov 79 p 1] 2909

CSO: 3010

FOREIGN POLICY DEFINED AS 'INCONGRUOUS'

Buenos Aires LA PRENSA in Spanish 21 Oct 79 p 8

[Editorial: "Our Foreign Policy"]

[Text] Fidel Castro's speech to the UN General Assembly was no less spectacular just because it was expected. Dictators generally tend to use flashy gestures, truculent looks and verbal excess to bolster the chronic weakness of the arguments with which they attempt to support the untenable political doctrines that they espouse. This puerile concession to theatrics has, moreover, never been exactly foreign to the world body, as we saw when Khrushchev brandished his shoe and Yassir Arafat wore a pistol on his belt.

It was to be expected, then, that the Cuban leader would adopt an irate tone in his diatribe against the Western countries and in his corresponding defense of the communist system; it was merely a repetition of the customary harangues that he has been pouring forth for two decades now on whatever occasion and forum he is offered. The new twist in this case was the representation that he invoked in making the speech, inasmuch as he did not limit himself to speaking on behalf of the country that he leads; instead, he set himself up as the official spokesman of the 95 member nations of the so-called "nonaligned" group, to which Argentina inexplicably still belongs.

This obliges us to again focus on this anomalous situation and to bring up the incongruity of our foreign policy. If our presence is not justified in a bloc of countries with most of which we do not have the slightest cultural or commercial links (bearing in mind the patent backwardness that they suffer from in all respects) and from which we are, to the contrary, separated by opposing traditions and enormous geographical distances, it is inconceivable that we should appear to be represented at the United Nations by a man who clumsily offended us in a deplorable incident and who is an active organizer of subversion and terrorism in the Americas.

By virtue of this mistaken direction in our diplomacy, we attended the recent meeting in Havana, which, as we know, was merely the stage on which the aspiration of two factions of world communism was commended to the leadership of the multiform "nonaligned" movement.

This approach is not at all in keeping with the statements that our foreign relations minister made not long ago, to the effect that "Argentina wants to live democratically and freely" and that "we have no penchant for underdevelopment, nor to associate ourselves with any supra-national movement that runs counter to our political philosophy." People can say whatever they wish, but Argentina's membership in an organization of nations represented, pursuant to their mandate, by one of the most conspicuous representatives of international communism entails, if not surrender, at least a totally unacceptable commitment and tolerance.

This unconscientious manner of conducting foreign policy, accompanied by an unfortunate disregard of the lofty principles that ought to provide its inspiration, has had other, equally regrettable expressions this year that also serve to muddle and distort what ought to be its major unchanging objectives. In this regard, we should recall the surprise caused by last August's official visit by a Soviet military mission, the purposes of which, besides mere protocol, were never clearly reported. It was remarkable that a country like Argentina, which is a member of continental military organizations such as the Inter-American Defense Board and attends the meetings of army commanders in the Americas, one of whose main functions is to prevent and combat subversive and communist penetration in the region, would have invited and received such a delegation. We must also not forget that Argentina is a signatory of the Acts of Chapultepec, which were signed in 1945, pursuant to which the governments of the hemisphere committed themselves to a military alliance in the event of aggression by any power outside the region. This pact was rounded out 2 years later with the Inter-American Reciprocal Assistance Treaty (TIAR), signed in Rio de Janeiro, which established the collective defense mechanisms in the event of an attack on a nation of the Americas.

These links underscore that our political and diplomatic background categorically places us in a Western and anti-Marxist position, which clashes with attitudes (such as the one we are commenting on) that we are not obliged to adopt and that enable others to question the sincerity of the ideas that we proclaim.

We think that the time has come for our foreign policy to return to its traditional channels. To this end, we must urgently rectify ambiguous decisions that have distorted it in recent times by causing it to lose its former vigor and clarity. We must adhere to principles, which does not mean renouncing a tolerable degree of flexibility in

negotiations that by their very nature require it. These principles must, however, always be upheld without concessions stemming from a misconstrued open-mindedness, because they affect the nation's conduct and tarnish its honor. The appropriate way to do this is not by asking commissions from international organizations to come here and pass judgment on the way we administer justice and respect human rights. On the contrary, as we said on a previous occasion, letting in missions like this constitutes acceptance of intolerable outside interference into our internal affairs, which impairs our sovereignty.

This nonchalance and frivolity that have been displayed in our relations with communist countries and the group of nonaligned nations are in open contrast with the sluggishness and delays with which we conduct relations with the states to which we have traditionally had very close ties. For example, it is certainly difficult to explain coherently why there have been such delays in sending ambassadors to the Argentine diplomatic representation in London and to the British representation in Buenos Aires. Now that the dispute that prompted the withdrawal of mission heads is over and now that the appointment of new plenipotentiaries has been announced, we cannot grasp the nature of the obstacle preventing this from taking place without further delay. We have wideranging relations with Great Britain that encompass many varied and complex aspects, and they require the permanent presence of a plenipotentiary of the highest rank. Seemingly, however, this seems to be of lesser concern to the Foreign Ministry than neglecting the slightest contact with the heterogeneous Third World rabble.

In this review of a number of episodes in our foreign policy this year we have deliberately overlooked the arduous negotiations with Brazil and Paraguay in connection with the harnessing of the water resources of the Upper Parana. The contradictory gains and setbacks here are widely-known, and the results have merited well-founded misgivings on the part of sectors and institutions representing our citizens.

Thus, the conduct of our foreign relations does not show a positive bottom line. The appropriate rectifications must be made as soon as possible, and we must straightforwardly abandon the ambiguous and vacillating course that is currently being charted.

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CSO: 3010



ARGENTINA

SAINT JEAN SPEAKS ON CITIZEN, LEADERSHIP QUALITIES

Buenos Aires LA NACION in Spanish 21 Oct 79 p 24

[Report on speech by Buenos Aires Governor Iberico Saint Jean at the inauguration of several public works]

[Text] Carlos Casares (Buenos Aires)--At a ceremony in this city the governor of the province inaugurated several public works. He was accompanied by his wife, Haydee S. Machado; the minister of public works, Pablo Gorostiaga; the minister of education, Gen Ovidio J.A. Solari; Mayor Pedro N. Camoratti and other civilian, religious and military authorities.

At one point in his speech Gen Iberico M. Saint Jean stated: "When the democracy of the masses appears in the world, when a person is forced to resort, through the speaker's platform, to the massive support of voters in order to assume power, demagoguery tournaments spring up, and there then emerges the political man, the man who manipulates party machines and committee leaders; the unionists emerge painting a better world for us every day. And it is here that the world begins to succumb."

At another point he said: "Let us think what kind of country we really want for the future: a country that through this currently prevailing democracy of the masses leads us to collectivization, where everything belongs to the state, or a country that respects its citizens and trusts their initiative and the initiative of cooperatives and private enterprise, so that it does not undertake efforts that the private sector can carry out."

"Paradoxically," he added, "all of us Argentines complain about poor government services, but when it comes time to cast our vote, we have voted overwhelmingly for the two majority parties, which are statist and monopolistic. Therefore, we are not entitled to complain about everything that has happened to us. That is why I am saying to you that we have to give serious thought, free from hatred, passion or ill will, to what kind of country we want for the future."

Towards the close of his address he observed: "There are two kinds of responsibility: the responsibility of voters going to the polls, who must not allow themselves to be taken in by false promises, and the greater responsibility of the Argentine leadership class. I think that the people who are part of the leadership class have a fundamental responsibility not to promise things in vain but instead, with the seriousness of mature men and the poise of honorable individuals, to say what can be done and how to do it."

### The Projects

The following projects were successively inaugurated during the morning: Nuestra Senora de Lujan Municipal Hospital, Manuel Belgrano Kindergarten No 1, Complementary Educational Center No 1 and the sewer water collection system and its purification plant.

At the ceremony for the last-named project Gorostiaga emphasized that with it, the current government "has inaugurated more projects of this nature than existed when it began its efforts" and that these systems are built together with purification plants to prevent pollution of the environment.

### Telephones and Housing

Mr Camoratti spoke at the close of the meeting, thanked the province for its support in the construction of the newly inaugurated projects and anticipated that by the end of 1980 800 telephone lines would be in operation and housing units currently under construction completed.

### Civilian Opening

San Juan--Government Minister Commodore Erwin Roberto Kern discussed the civilian opening with a view towards securing the participation of communities in municipal undertakings. He pointed out that this is "a preliminary step in gradually beginning a process whose ultimate objective is the establishment of an authentic democracy."

He made this statement during a ceremony honoring authorities in the municipality of Pocitos on municipal white- and blue-collar workers' day.

Among other things, the minister stated: "The concept of democracy is, in essence, the definition of a form of government. It is not an end in itself that is played out through the operation of institutional mechanisms such as elections, parties and a legislature; it is, instead, a means to an end: government, the proper government of a community. In other words, democracy must result in a proper government, not an angelic or superhuman government, but the orderly management of public affairs."

"Democracy must generate reasonable order and reasonable progress. There can be no progress without order. If terrorism in any of its forms expands, democracy dies, because a minimum of leadership can no longer be assured, and without this there can be no government, but violence, insecurity and fear instead. Elections are an element of democracy, but they are not everything. It is through them that we appraise a good government. It is not necessarily undemocratic not to call for elections, because within this context we can be pre-democratic; in other words, we can be trying to create the conditions that are needed for a gradual return to democratic institutions, so that new anarchical and demagogic failures are precluded."

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CSO: 3010

TROCCOLI SCORES MILITARY, ECONOMIC CONTROL OF NATION

Buenos Aires LA NACION in Spanish 21 Oct 79 p 22

[Text] (NA)--Radical leader Antonio Troccoli has termed urgent the task of formulating "a national program or strategy, viewed not as the expression of a small group of officers but as the outcome of contributions by all sectors."

The former national deputy, who voiced this opinion in a speech at a seminar on "national private enterprise and its context," contended that one of the goals that the program should pursue is "the occupation of jurisdictional spaces."

Territorial Integration

To this end he advocated "a policy of territorial integration to promote regional development based on the utilization of natural resources and to facilitate the structuring of major economic regions perfectly suited to starting the march towards decentralization.

Another point that Troccoli felt should be part of a national strategy is an incomes policy "that will do away with the distribution struggle, that will guarantee a suitable pay arrangement for workers, employers and savers but that will also maintain the essential balances in the other economic variables."

Immobilized Society

In taking up the current political picture in Argentina, the radical leader asserted that "an attempt is being made to maintain a system of power based on the hegemony of a single sector, which befits an authoritarian order, above and beyond what the serious emergency that the country had to live through could reasonably require."

Troccoli also stated that "we are taking on the characteristics of an 'immobilized society,' in which only the sectors of economic and military power can express themselves."



"A society that operates as if suspended in a political vacuum, without a horizon," he noted, "is easy prey for irrationality and for the promoters, ideologues and beneficiaries of violence."

The seminar at which Troccoli spoke has been organized in this capital by the National Enterprise Forum.

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CSO: 3010

ARGENTINA

PERSONNEL REPLACEMENTS ARE ASSIGNED TO ANTARCTIC

Buenos Aires CONVICION in Spanish 20 Oct 79 p 9

[Text] Monday at 1930 hours the commander in chief of the army, Lt Gen Roberto Eduardo Viola, will officiate at a farewell ceremony for the military personnel and their families who will be proceeding to Antarctica to replace the contingents currently residing at Fort Sargento Cabral. Lieutenant General Viola will speak at the ceremony and greet those in attendance individually.

They will serve as superior officers assigned to the Army Chief of Command and superior and subordinate personnel with the Antarctic Command and the "80 Personnel" at the following army bases: "Esperanza" (Fort Sargento Cabral), "Primavera," "General San Martin," "General Belgrano" and "General Belgrano 3."

In addition, on Monday at 1000 hours the head of the National Meteorological Service, Commodore Jose Eugenio Echeveste, will officiate at a ceremony there to send off the new meteorological crews who will be doing scientific work at the various Antarctic bases and detachments.

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CSO: 3010

## ARGENTINA

### VIOLA: ANTARCTIC RADIO STATION REASSERTS SOVEREIGNTY

Buenos Aires CONVICCION in Spanish 20 Oct 79 p 9

[Text] The inauguration of LRA 36, Radio Nacional Arcangel San Gabriel, in the Argentine Antarctic "represents another significant contribution by the Armed Forces to a reassertion of our sovereignty as a function of our legitimate national rights on the Antarctic continent," stated the commander in chief of the army, Lt Gen Roberto E. Viola, in inaugurating the world's first radio station on the southern continent.

LRA 36 was put into operation at noon yesterday, the Day of the Communications Branch. In a message carried over the station General Viola said that it "was the result of the joint efforts of the Communications Command and the Secretariat of Communications, backed by the Army Antarctic Command, the National Navy and the Argentine Air Force."

The army commander in chief stressed that the event was a new milestone that enables us "to consolidate the indissoluble unity of of our Antarctic sector with the rest of the mainland" and that it was preceded by "the establishment of military and scientific bases; the stationing of the families of our self-sacrificing soldiers; the marriage of an Argentine couple and the birth of Argentine children in the world's southernmost inhabited region." All of these were landmarks "of far-reaching importance in our ongoing, active presence and in our fruitful and growing settlement." Dedicated to Saint Gabriel the Archangel, LRA 36, Viola concluded, "will be the bearer of the message of freedom, peace and harmony that all men of good will are anxiously awaiting." The new station, which is part of the Radio Broadcasting Service of the Secretariat of Communications, was set up at the "Esperanza" Army Base.

Lieutenant General Viola also officiated yesterday at the keynote ceremony commemorating the Day of the Communications Branch and which was attended by the director of Military Manufactures, Maj Gen Diego Urricarrí; the branch's chief of staff, Maj Gen Carlos Suarez

Mason, and other high-ranking authorities. Speaking at the ceremony was the chairman of the Branch Commission, retired Brig Gen Jorge Olivera Rovere, who advocated steadily increased participation by national industry in the supply of materials; this would give us greater technological independence and provide more training to young scientists and technicians.

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CSO: 3010



## ARGENTINA

### 'LA PRENSA' URGES ACTION TO STOP EXODUS FROM BORDER REGIONS

Buenos Aires LA PRENSA in Spanish 22 Oct 79 p 10

[Editorial: "The Population Problem"]

[Text] The UN High Commissioner for Refugees has issued a statement thanking our country for its willingness to take in contingents of Indochinese citizens. He said that "this marks a memorable stage in the history of international solidarity, inasmuch as Argentina is the first Latin American country to accept massive numbers of refugees from the Far East."

Our nation's decision, and particularly the rapidity with which it helped to mitigate the distressing refugee problem, has a lofty moral value in keeping with the finest Argentine traditions, but it also sheds new light on the problem of the "demographic vacuum" that is slowing our rate of progress. A study done a few months ago stressed that the country could support a population of some 150 million and that we have 7 inhabitants per square kilometer when the density could go as high as 54. Also, the ratio is much smaller in certain of the country's regions, such as Patagonia, where there are an average of just 0.9 inhabitants per square kilometer.

One of the reasons for this underpopulation has to do with the reduced flow of immigrants. In 1914, 30 percent of our population was made up of foreigners; by 1970 this had dropped to 9 percent. Besides this, owing to a lack of jobs and other local incentives, the depopulation of the interior congested our urban centers, where 80.75 percent of the country's inhabitants reside. Thus, while the extent of semi-populated regions increased, our inhabitants crowded together in industrial centers, with the well-known consequences of upsetting the expansion of national production.

Moreover, it has been shown that there are 240,000 more women than men in the federal capital and that a sizable percentage of them come from the interior to look for jobs, which are in short supply in their native region, thus breaking up the family nucleus.

It is obvious that over the last 50 years the state has neglected the problem, even though the interior required ongoing action, vigorously begun last century, to create acceptable conditions for the settlement of families. Essential to the attainment of this goal was an ongoing policy comprising road construction, housing, drinking water, irrigation, health care, energy, schools and colleges, security and transportation, plus full-fledged support for the new farms and industries and for the expansion of existing ones, without neglecting a reasonable apportionment of government lands and the adoption of all measures that would facilitate an increase in the interior's population.

Another no less important point has to do with the necessary incentives for appropriate immigration, in the form of stability that can guarantee acceptable lifestyles. Immigrants today are no longer willing to face the uncertain future that the country holds out to them, because they have better possibilities in the European nations that stand out for their steady industrial expansion.

Within the framework of national objectives and policies, the provinces were asked some time ago to take steps to prevent a population exodus, particularly from border regions, and it was recommended to them that they establish the services that are essential for new family settlements. But the problem was not resolved when posed in that way, because owing to the economic and financial capacity of those jurisdictions, it is very problematical whether they can alone create sufficiently attractive conditions to spur local farm and industrial output as a basis for increasing the population. The provinces of Misiones, Corrientes, Chaco, Formosa and Entre Rios reported at the first national meeting on population increase through immigration, held in this capital, that they were not in a position to furnish funds for this initiative because they were devoting their available resources to improving the standard of living and quality of life of the existing settlers in order to discourage them from moving out. On this occasion, however, all of the provinces regarded it as essential to establish services and to grant incentives to attract settlers. With this background information in mind, it is clear that action should be taken in the form of joint efforts by the central government and the provinces. Many plans, talks, conferences and speeches were undertaken for this purpose, but the measures required to tackle the problem were not adopted.

The major difficulty in maintaining a population and attracting immigrants is inflation, which scuttles all opportunities, causes extreme instability, frightens away investors, cuts consumption, upsets forecasts and ruins the best initiatives.

As we can easily see, it is not a question of taking partial measures, but of tackling the problem with a comprehensive approach and with a willingness to remove the traditional obstacles that have deeply affected the demographic process.

Argentina's major problems, such as the one we have been talking about, require firm decisions that cannot be put off without causing ever-worsening harm. Our acceptance of Indochinese refugees must mark the beginning of a prudent policy, if we want to terminate the process that is holding back the republic's advance.

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CSO: 3010

## JAPAN SEES INFLATION TOO RISKY FOR INVESTMENTS

Buenos Aires LA NACION in Spanish 27 Oct 79 Sec 3a p 5

[Excerpts] Upon his return from Japan, where he went as a member of the party of the president of the nation, Lt General Videla, the president of the Argentine Association of Agrarian Cooperatives (ACA), agronomical engineer Victor Hugo Santirso, mentioned on two occasions a possible mutual activity with business owners from that country in tasks related to grain storage. As everyone knows, ACA is the second-ranking grain exporter in the country (during the 8-month interval between January and August of this year, it sold 1,471,200 tons abroad); and, as might be expected, it is concerned with increasing its storage capacity in order to facilitate marketing the product at the most opportune time.

Last Sunday, in Necochea, Mr Santirso said that, despite the reservations that the Japanese have evinced toward making investments, the ACA had signed a letter of intent whereby, in November of this year, a committee comprised of members of the ACA, FACA [Argentine Federation of Agricultural Cooperatives] and the Zen-Noh Federation of Japanese Cooperatives will begin working on a study of the construction of a large grain storage plant in our country.

On this occasion, the cooperative director also said that a particular hesitancy had been noted in Japan toward making investments in our country (which does not hold true for others, since it has just invested \$80 million in port structures in the United States, for example), as a result of the inflationary phenomenon besetting Argentina.

Japan has observed with an excellent opinion the index of our gross national product, the foreign exchange reserves, the agricultural-livestock potential and the state's turnover of many business firms to private control; but it does not understand the matter of inflation, much less the accounting revaluations.

These same views were reiterated by engineer Santirso at a press conference held last Thursday, when he pointed out that, unfortunately, the economic expectations regarding the visit to Japan were exaggerated, because its results were mainly political. Santirso added that the Japanese business owners have a very clear notion of our situation, and understand the problems



that the country has suffered and what must be done to surmount them; and this constitutes the political result of the visit. But, in the economic realm, although they seem willing to grant credit and financing for purchases, they are not equally willing to make investments. He repeated: "They do not understand how we can live with so much inflation;" concluding: "Argentina still represents good financial business to them, but it is not attracting investment."

Even though the situation may be as the cooperative head described them, the Japanese attitude is positive: in the political realm, it is one of understanding, and in the economic realm it is one of backing in the financial area and of collaboration, so long as the country manages to curb the inflationary process; something which, according to claims made in circles associated with the economic team, could begin to happen quite definitely during the next few months.

2909

CSO: 3010

## FOREIGN INVESTMENTS LAW REFORMS AIMED TO FAVOR INVESTORS

Buenos Aires LA NACION in Spanish 27 Oct 79 p 5

[Text] An extensive account of the government's policy in the area of foreign investments and their future prospects was given yesterday by the undersecretary of foreign investments, engineer Federico Dumas. The official disclosed that the total foreign investment in Argentina may stand at about \$5 billion, explaining that \$1.4 billion of that sum was invested during the past 3 years.

Engineer Dumas' remarks were delivered at the luncheon sponsored by the Argentine Institute of Finance Executives; and, among other important topics, he predicted the implementation of reforms to the law which governs this area.

At several junctures, he backed his comments with statistical tables which show the progress that has been made, particularly that during the period from March 1977 to September 1979.

At the outset, engineer Dumas cited the great significance attached to these investments "as a contribution to the country, both in the area of investment itself and for the incorporation of modern technology that will bring about improvements in productive efficiency, particularly in the industrial sector."

#### The Law Will Be Changed

The speaker subsequently gave a brief explanation of the mechanics of these investments, and indicated that, "Slight changes will be made in the law on foreign investments, although they will relate only to an improvement in the treatment accorded investors." He added: "The areas of greatest concern to our country are those associated with the exploitation of natural resources: oil, gas and mining, with special emphasis on the first two."

Moreover, he underscored the importance of the foreign contributions to the agroindustrial sector, which he said was "as important as all that has been done to supplement the effort that Argentine business owners are expending to gear themselves to this period of intensified production."

Engineer Dumas also mentioned the participation of international business firms in public works, awarded in accordance with the concession system; as in the case of the metropolitan expressways and gas pipelines, in addition to their virtual incorporation into the peripheral private ownership system of state enterprises, citing the investments scheduled for 1980 in retail supermarkets as highly important.

#### Figures

In giving specific statistics, the official said that, between March 1977 and September of this year, the foreign investments in Argentina, counting new contributions of capital, capitalization of credit and reinvestment of profits, totaled \$1.4017 billion which, he noted "represents 40 percent of what the country had accrued previously."

Of the total investments since 1977, 55 percent represent : new contributions of capital, 29 percent the reinvestment of profits and the remaining 16 percent the capitalization of credit. To the \$1.4017 billion already invested, another \$454.8 million which is "under negotiation" may be added; and hence the total would reach \$1.8565 billion.

#### According to Sector

When the investments are considered according to sector, one finds that over 70 percent was concentrated on five activities which are, in order of importance: gas and oil production, mining, the automotive industry and financial and banking activity.

When they are subdivided according to actual country of origin, one ascertains that in the investments made since 1977 there is an absolute preeminence of three nations which accounted for nearly 68 percent of the total. The list is headed by the United States, with \$636.3 million; followed next by the Netherlands, with \$221.5 million; Italy, with \$110.5 million; France, with \$77 million; Germany, with \$61 million; Spain, with \$60 million; and Japan, with \$55 million.

## Foreign Investments, 1977-1979 (in U.S.\$)

	1977	1978	1979(1)	Total (1977-1979)
New contributions of capital	41 12,637,301	79 57,452,974	96 72,120,709	216 142,210,984
Capitalization of credit	17 18,188,172	22 20,761,945	36 27,340,969	75 66,291,086
Investments approved by resolution	8 30,825,473	101 78,214,919	132 99,461,678	291 208,502,070
New contributions of capital	4 51,313,109	24 202,019,826	28 339,449,420	56 612,782,355
Capitalization of credit	3 63,000,000	4 33,378,011	7 36,155,865	14 152,533,876
Investments approved by decree	7 114,313,109	28 235,397,837	35 415,605,285	70 765,316,231
New contributions of capital	45 66,400,410*	103 272,622,800**124	434 434,020,129***272	773 773,043,339
Capitalization of credit	20 81,188,172	26 34,139,956	43 83,496,834	89 218,824,962
Total investments approved	65 147,588,582	129 326,762,756	167 517,516,963	361 991,868,301
Reinvestment of profits	- 122,460,000	- 135,140,000	- 152,230,000	- 409,830,000
Total investments	65 270,048,582	129 461,902,756	167 669,746,963	361 1,401,698,301

(1) Up to and including the month of September

\* Includes \$2.45 million in automatic contributions

\*\* Includes \$13.15 million in automatic contributions

\*\*\* Includes \$2.45 million in automatic contributions

Between August and December 1976, reinvestments of profits were made totaling \$8.03 million.



ALEMANN REFUTES CUTA'S COUNTERCHARGES

Buenos Aires LA PRENSA in Spanish 26 Oct 79 p 7

[Text] The secretary of finance, Dr Juan Alemann, declared that the trade unions "imposed their wishes through terrorism" before the present government and "in fact, they have always based their power on compulsion," during the course of a radio interview in which he also stated that a judge has ordered the preventive imprisonment of Carlos Emerito Gonzalez, a lawyer who accused him of being involved in alleged irregularities with regard to the sale of the Italo-Argentine Electricity Company.

This was Alemann's retort to the statement made by the Single Leadership of Workers of Argentina (CUTA), in an interview carried by "Today's People," a program broadcast by LR1 Radio El Mundo.

As for CUTA's statement that the secretary of finance "has incited the workers' movement to call a strike," Alemann said "there is no truth in that."

To Distinguish

After expatiating upon the terms of that document, he said: "In the first place, I think that we have to distinguish between the worker, whom we favor, and I have stated this clearly, and the alleged trade union leaders."

He noted: "I think that these gentlemen have a short memory, When they were in the government they caused a total disaster for the workers. At times in the past government, I would like to give a reminder that Lorenzo Miguel and Casildo Herreras, the top-ranking heads of that organization which these gentlemen now represent, entered the office of Minister Antonio Cafiero without even asking permission, and gave him orders."

Then and Now

Alemann said: "And the result of that policy devised by them was a sharp drop in real wages, increased unemployment and a threat of total disaster to the economy; which was the situation that we found in March 1976 and had to overcome by hard work;" giving assurance that "we have surmounted it now."

He added: "Now there is full employment and ample opportunities for work with better pay; and, as a result of all this, there is increasing pay in real terms, as a weighted average. That is to say, we are offering the workers an opportunity to help themselves, without having to resort to these labor leaders who have been deceiving them for several decades; because during the entire time when they imposed their policy, they did not really bring about any substantial improvement in the status of the workers, whereas we, with our policy and without boasting about it, are achieving this."

#### Power of Summons

Alemann went on to say: "On another topic, contrary to what they claim, they talk about their power of summons, and I would like to give a reminder that when they organized strikes, they did so in a compulsory fashion, with strike pickets, attacks on transportation facilities and direct aggression and threats to workers who refused to join the strike."

He declared: "In other words, there was no free, voluntary adherence to these leaders, but rather they imposed their wishes through terrorism. In fact, they have always based their power on compulsion. It should be remembered that all these gentlemen have made a living from the compulsory contributions of the workers, which have had to be withheld by the business firms, by law, and deposited in the trade unions. If the workers had been asked to freely contribute to the unions, the latter would probably have disappeared as an organization a long time ago."

#### The Italo Case

He continued: "Now, I would like to say something else apart from this. In one of the paragraphs, they also refer to the issue of Italo, claiming that I am involved in it through my family. Well, I shall give you some information here. I filed a suit against Carlos Emerito Gonzalez in court, and the judge, Dr Tarantino, ordered preventive imprisonment for him.

He concluded by saying: "I shall explain that Carlos Emerito Gonzalez has not provided one bit of evidence for anything with which I was charged; so I think that, in the end, he will have to be convicted of damages and contempt; and the episode would terminate there."

#### Trade Unionism

Upon being told, "It would appear that you do not believe in trade unionism, not just this, but any kind," Alemann said: "I believe in the unions as protectors of the workers' interests, but within the context of concrete problems. I do not believe in the trade unions as a political organization; because, we must clearly understand, the CUTA is a political organization first and foremost."

He added: "In a free trade union system such as existed in Argentina prior to 1943, there were unions for particular branches of industry, which acted on union problems. But there was not the big organization with political power which has, specifically, had such a detrimental effect on the nation's progress during the post-war period."

#### Artificiality

He then mentioned the fact that it was possible for the trade unions, "as representatives of a major sector of the society, to have opinions of a political nature concerning the organization, although they might not be partisan in origin."

Alemann stated, concluding the interview: "Yes, but the fact is that, for this purpose, there must be real representation, and those with a representative status are the top-flight trade unions, but not these big organizations which have been artificially armed."

2909

CSO: 3010

CONTINUED ECONOMIC EXPANSION SEEN IN THIRD QUARTER

Buenos Aires LA NACION in Spanish 21 Oct 79 pp 2-3 sec 3a

[Text] The data that the economy minister will furnish towards the end of the month on developments in production during the third quarter will confirm the existence of a continued economic expansion, although the growth rate will, of course, be slower than in the first half of the year.

Although the final figures are not yet in, the preliminary estimates that can be made based on currently available information point to an increase of around seven percent in gross output as compared with the third quarter of 1978. This is clearly lower than the growth rate recorded throughout the first half of the year, which is basically due to the quite higher basis of comparison: by the third quarter of 1978 the economy had made considerable progress towards emerging from the recession into which it fell in late 1977.

During the first quarter of this year, output had increased 12 percent over the very low levels of early 1978. Between April and June the growth rate dropped to 9.4 percent, which gave an average of 11.1 percent for the first half. With the growth rate estimated for the third quarter, the average for the first 9 months of the year will be slightly above nine percent, which will enable us to close the fiscal year with a rise of around eight percent in the gross domestic product. This would make 1979 the year of strongest economic activity to date; in other words, we will have overcome not only the recessionary lull of 1977/78 but also the entire series of wide fluctuations in production activities since the second half of 1975.

As is seasonally customary, agriculture made scant contributions to economic growth during the third quarter. Perhaps the most noteworthy development in this regard was the upswing in beef prices, which reduced demand towards the close of the quarter. With regard to expectations and preparations for next season, there is an ongoing trend among growers towards high-priced crops (at least where substitution is possible in terms of soil and climate), which will surely show up in farm sector yields in early 1980.



our industry was still growing more sharply between June and September than the economy as a whole, though also at a slower rate than early in the year. Manufacturing output had risen 16.6 percent in the first quarter over the same period in 1978 (in other words, at the deepest point of the recession) and 12.9 percent during the second quarter, a 14.5 percent rise for the first half. The industrial growth rate for the third quarter will be about 9 percent, which gives a jump of around 12 percent for the January-September period. In this case as well, industrial activity would be at record levels, leaving behind the ups and downs of the last 5 years.

Although the strength of the manufacturing sector is quite widespread, it stems especially from branches such as iron and steel, where output rose by about 20 percent; aluminum, the output of which climbed by 140 percent on the basis of foreign markets; automotive vehicles, which recorded a rise of more than 30 percent, which in recent months brought output back to the record levels of 1973; the tractor industry, which shows increases of around 75 percent, but from an extremely low point of comparison; the production of oils, which is up more than 20 percent; the milling industry, where activities are moving along at a 15 percent faster clip, spurred on by the replacement of beef in consumer diets; the manufacture of household items, for which the average upswing will be around 20 percent, spurred on in a number of lines by heavy construction activities; the paper industry, whose growth rate will be slightly higher than the manufacturing sector average, and chemicals and petrochemicals output, where some lines show a soaring growth rate for the third quarter.

We should mention, in addition, that to some extent this increase in production was the result not so much of domestic consumption or export requirements as of expansionary inventory policies pursued by medium-sized enterprises, both manufacturing and commercial, which were encouraged to act in that manner because of the clearly negative interest rates in the money market.

Construction, which went through the 1977/78 recession practically unscathed, had grown at a slower pace than the economy as a whole during the first half, and it maintained this same trend during the third quarter. Expansion for the sector will be around four percent, with private construction playing a major role.

Activities in the mining and quarrying sector were spurred on by hydrocarbons extraction, which was up about 5.3 percent over the third quarter of last year. There was also increased activity in deposits of non-fuel minerals and uranium. Output levels at the quarries that supply lime and cement to industry remained about the same as a year ago, with slight variations.

Once the second quarter restrictions were taken off, the production and consumption of electrical energy reached record levels in the third, with a rise of more than 12 percent over the 1978 levels, which had not fallen during the recession, though growth was slow.

Trade sector activities, which had climbed 13.5 percent in the first quarter and 11 percent in the second, also recorded a slowdown in the third, but in any case, growth was around 8 percent.

From the standpoint of overall demand, the available rough data seem to indicate that the third quarter has kept up the fast recovery pace of the second, which was 11 percent, after a 13.5 percent increase during the first, always in comparison with the same periods in 1978. Thus, the third quarter of 1979 would be marked by the heaviest domestic consumption of the last 4 years, though still below the exacerbated levels of 1974 and 1975.

Gross domestic investment is also still on a healthy upswing, though not at the 16.5 percent pace of the first half. An increase of around 11 percent over the third quarter of 1978 would virtually bring us back to the record levels registered during the same period in 1977, in other words, immediately before the crisis that brought on the recession. The incorporation of transportation equipment has been especially heavy, while production machinery and equipment additions proceeded at a not insignificant pace, though slower than in 1977.

Exports were up about eight percent, although it is widely-known that external demand has an uneven impact on the various production sectors, inasmuch as the manufacturing industry in general has seen its chances of marketing goods overseas decline considerably.

The foreign sector outlook continues to show a growing export trend, fueled basically by farm products and farm-based manufactured goods. Third quarter trade, however, was practically balanced, because the relative seasonal slowdown in exports coincided with a momentary boom in imports, both of capital, intermediate and consumer goods. Most of our imports consist of capital goods, but consumer goods show the quickest pace of growth, while purchases of intermediate goods are proceeding at about the pace of domestic industrial activity.

Our relatively balanced trade does not, however, mean balanced payments, because capital inflows continued which had an impact on domestic monetary expansion. Nevertheless, the Central Bank encouraged the creation of secondary money by a four point reduction in minimum cash, which led to a slight decline in the volume of monetary resources in real terms, as compared to a 29.7 percent jump in the wholesale price index, which is without doubt the most worrisome element in the general outlook because it represents an annual inflation rate of 185 percent.

The third quarter was, in any case, a period of satisfactory liquidity in the money market, despite an almost permanently upward trend in interest rates, which is largely attributable to heavier financing requirements spurred on by the trend in prices. We referred previously to the business inventory policies during the third quarter. The rise in interest rates could not parallel the rise in prices, and thus the passive rates of the financial system were, on the average, five percent on the negative side for this 3-month period, even though they again turned positive in real terms in September.

During the period under analysis wages were freed up, and thus responsibility for setting pay levels rested mainly with companies, under relatively restricted union pressures. There were no major changes in company wage policies during the third quarter, with businesses generally keeping their personnel pay indexed, although it is widely-known that some sectors are behind schedule. In general, business feels that real wages have increased between 6 and 20 percent over mid-1976 levels.

This estimate is in keeping with evidence of a very high level of employment and heavy demand for workers in almost every category, as confirmed by INDEC's [National Statistics and Census Institute] latest calculation, according to which joblessness was running at only 1.5 percent in the metropolitan area during the third quarter.

8743

CSO: 3010

BUDGET REFORM DISCUSSIONS CONTINUE

Buenos Aires CLARIN in Spanish 20 Oct 79 p 77

[Text] Next week the Legislative Advisory Commission will most likely issue a ruling on the 1979 national budget reform bill. The military legislative advisory body took up the issue at its last plenary meeting.

As we know, the bill is designed to update the expenditures program initially authorized for the current fiscal year, which is being marked by an inflation rate substantially higher than the one anticipated in the budget. Under the proposed reform, government expenditures (treasury) would be boosted by 2.41 trillion pesos. Most of the additional expenditures would go to cover the pay of public sector employees, an item that had been calculated in accordance with the inflation estimates that have now been exceeded by actual price developments. In this regard, we should remember that although the grading scale has been put off until 1980, the indexing arrangement of state worker pay has been maintained.

In addition, the budget deficit would remain at the same percentage of the gross domestic product that was initially anticipated, in spite of the absolute increase. In this case as well, the higher inflation rate affects the size of the GDP.

In any case, the budget act reform only involves authorization for higher expenditures, which is, after all, what the bill stipulates in a limited way.

Meanwhile, the Economy Ministry is continuing its efforts to tailor the 1980 expenditures program to the guidelines drawn up by Finance Secretariat authorities.

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CSO: 3010



## ARGENTINA

### FISHING IN NATIONAL WATERS BY FOREIGN INVESTORS WEIGHED

Buenos Aires CLARIN in Spanish 20 Oct 79 p 10

[Text] The secretary of maritime interests, Rear Adm Carlos Noe Cuevara, has just pointed out that a decision as to the possibility of the interested Japanese fishing group setting up operations in Patagonia will have to await the outcome of the studies that the group was doing on the fishing potential of Argentine waters. They will be made public late this year. We will thus be marking time in this case also, as with the German fishing group, which likewise said that it had to assess resources before making a decision, which was postponed until about March 1980, private circles revealed.

As we will recall, under Law 21,514, fishing groups from Japan and the FRG operated on an experimental basis for a year and, parallel to their fishing activities (100,000 tons of catch a year, under the agreements), did research work with the vessels "Sinkai Maru" (Japan) and "Walter Herwig" and "Meriburg." In both cases, analysis will begin on the studies during the remaining months of the year.

In connection with linking a final decision to an examination of the aforementioned studies, the two groups are obviously wagering that authorities at the Maritime Interests Secretariat will boost the current catch quotas (the quota for hake, the most plentiful variety, is set at 700,000 tons a year). This, in fact, seems to be one of the points being discussed by local officials and the foreign businessmen.

On the other hand, Argentine-Spanish fishing enterprises have objected to the two groups getting involved in ocean fishing, citing, among other reasons, the danger of overfishing. As far as these enterprises, which come under the Foreign Investment Act, are concerned, fishing by the Germans and Japanese (whose catches would presumably not exceed the 100,000 tons a year set for the experimental fishing year while current information as to the potential of Argentine fishing grounds still applies) would restrict their commercial possibilities, which have already been hampered by the impact of the undervalued dollar on export earnings.

In conclusion, it is important to point out that the decision on fishing quotas influences the investment options of the Japanese and German groups. Along with meat-packing plants and land-based filleting plants, these options include the construction (individually or in conjunction with other enterprises) of adequate port facilities, which Patagonia lacks.

8743

CSO: 3010

## INTERIOR MINISTER DISCUSSES GOVERNMENT'S OBJECTIVES

Santiago LA TERCERA DE LA HORA in Spanish 28 Oct 79 pp 6-7

[Interview with Interior Minister Sergio Fernandez Fernandez by Raquel Correa, time and place not given]

[Text] The Cabinet Chief is a reserved, perhaps shy man with a reputation for being harsh and intransigent. It is not an easy task to interview him: he does not give in easily to the question and answer game. Rather non-communicative and mistrustful--"faults everyone has"--he jealously guards his private life.

He has been in public life for quite some time, first as minister of labor and social welfare, later as general comptroller of the republic, and for the past 19 months as minister of the interior. All this time in the public eye has not put a dent in his armor. Quite the contrary.

An attorney from Punta Arena, Sergio Fernandez Fernandez (age 40, married, four children "between 10 and 15 years") considers himself "a completely normal person." When I asked him how he had happened to appear on a journalist's list of "handsome men," he answered:

"I died laughing. I'm not an incurable idiot."

He also claims to be a happy, optimistic person who does not fall into periodic depressions.

He was an excellent student at the university ("There," he says, pointing to the main building of the University of Chile from the 15th floor of the Diego Portales Building, "I studied law, and then I was an assistant, and then a professor until 4 years ago"). He practiced law in association with Miguel Schweitzer Jr.

A tall, well-built man with a lot of self-control, Fernandez is unable to repress just one gesture: a smile. His smile illuminates his eyes, which have dark circles under them. He prefers listening to talking, and almost always answers questions with questions. He is convinced that politics is of interest

to very few Chileans--"no more than 5,000 people"--and he has no doubt about the government's popularity. I ask him how it can be measured, and he replies, "through polls, and through my own observation."

Half joking, he confesses he does not like to engage in dialog, but he assures me that he is in contact with many people in a lot of different sectors. "But I don't allow myself to be influenced easily," he maintains.

Stubborn? "No," he responds, "but it is not easy to convince me when I have concluded that the action I should take is right. Even if it is unpopular. As minister of the interior, I have had to take many unpopular actions: personal popularity does not interest me."

He claims to be adamantly apolitical, although he finally admits that he is a member of the government and is therefore fulfilling political functions: "But I am not a politician in the traditional sense, just within the framework of what the government is doing now, in which I am participating." He affirms that he has no desire for power, and that when he leaves the interior ministry "whenever the president deems it appropriate," he will return to his own activities: practicing law and teaching at the university. "I can assure you of one thing," he told me, "at that time I will cease to be mentioned in affairs related to the government. I am here because they think I can serve the regime; I will remain only as long as I am useful."

He says he has a lot of friends and a lot of enemies--"the entire opposition, of course"--that the Rule of Law prevails in Chile. Concerning his reputation for being harsh, he argues: "You must not confuse harshness with firmness. There lies all the difference. When someone takes on a job he must act decisively: if no decisions were made, practically nothing could be done. An indispensable trait in this ministry is being able to make decisions and having the courage of one's convictions."

Elaborating on his public image, he says: "I am cold, but not calculating. I have a cool head and a warm heart," he jokes. He denies that he is as tense as he appears to be: "I do not have an irritable colon or ulcers or anything of the kind."

There are topics he does not like to discuss, especially the exiles and the missing detainees or "desaparecidos."

"As far as the exiles are concerned, I repeat what I have always said: I will not permit the return of any agent of international Marxism, nor of anyone who participated in the international campaign against Chile, nor of anyone who could harm the security and peace that all Chileans enjoy. Every case is being studied separately, and I am not going to risk domestic security and peace in any way."

With regard to the "desaparecidos," he simply says: "That is a dead issue. I have nothing more to say about it. The government has already said all it has to say about that."



He remarks that his relationship with General Pinochet is easy. He cannot hide a gesture of annoyance when I tell him that some say he is a yes man. He argues: "To believe that is not to know the president. He would not accept a yes man in that position."

An avid reader, Fernandez does not sleep much, although he doesn't stay up all night either. He does not enjoy a lot of socializing. "I am very moderate, very temperate," he emphasizes; he only admits to being "extremist with the extremists."

He acknowledges that being in government means personal, economic and family sacrifices, as well as some safety problems, but he says he does not fear for his life. "In any case, if something happened to me that would not affect the government program."

During the lengthy interview he granted me--three sessions of an hour and a half each--smoking countless filter cigarettes and drinking countless cups of coffee, he refused to answer any personal questions: "Who is interested in whether I like tennis or ping pong? No one." He obviously preferred to talk about important issues, ideological clarifications and the like, ignoring less profound topics.

[Question] When the military government took power it maintained then--and has done so repeatedly ever since--that it would set no deadlines, only goals. After more than 6 years, what are the main goals that have been attained?

[Answer] I think the most important ones are the restoration of order and peace, the rescue of a destroyed economy, the depoliticization of those national activities that should function independently of politics (which until 1973 were distorted by politics), and in general, the progressive persuasion of public opinion that only with the cooperation of everyone can we make true progress, and that patriotism is a real concept that can unite us Chileans to a great extent, without prejudice, and despite ideological differences. All this has formed the foundation upon which we are gradually building our new social, economic and political institutions.

[Question] What are the social and economic achievements?

[Answer] In the economy we have already seen a growth rate double that of the last few decades, and if we persist in this trend, Chileans will see their standard of living rise year after year. International confidence in our economy is generating increasing investment and credit, which will ensure the continuation of this rise in the standard of living.

In the social sphere, we already have a labor plan which provides for genuine union freedom, and a system of fair collective bargaining which is technically precise and apolitical. Our struggle against extreme poverty is beginning to show some results, with notable, internationally recognized progress in nutrition, aid to small farmers, low-income housing programs and other well-known projects; substantial improvement of the magistracy and judicature, two key elements, has also been seen.

[Question] And with regard to politics, is the only achievement the study of a new constitution?

[Answer] The study of the new constitution is not the only progress we've made in the political sphere. Administrative reform and regionalization are already underway; these two programs have truly historic dimensions. We are implementing a renovated, healthy student organization system in the universities, and in general we are encouraging more and more participation in ways that can neutralize or defeat Marxism, demagoguery and political corruption, which you may remember, were the cancers that had eaten away at all public life by September of 1973.

#### What Remains

[Question] Which goals still remain to be met?

[Answer] The goals we have not yet achieved are not essentially different from what we have achieved; the only difference lies in magnitude or intensity. It is like human growth: every advance is based on an earlier step forward. In the economy, we must ensure that progress reaches all sectors in terms of providing the basic essentials of well-being to all Chileans. Without that well-being, there can be no stable political democracy, as that requires a civic awareness and a commitment to democracy by the citizens. Such an attitude could never exist among people who got little or nothing out of the system itself.

In the social sphere, we must allow each person the freedom to make decisions on the problems that affect him most directly; this is the best antidote to statism. For this purpose, his excellency the president of the republic has set forth, in his most recent Presidential Message, the seven principal modernizations which he intends to carry out. Many of them are already in progress, and he attributed special importance to carrying out welfare reforms and issuing educational guidelines in 1980. These two measures would result in a wide-ranging transformation of two vital areas of national life, which were among the most seriously affected by the aberrations of statist socialism or exaggerated political partisanship.

In the political area, we must have a free plebiscite on the new constitution in which the public, through secret balloting, can express its opinion on the duration and nature of the transition, as President Pinochet said in his message.

#### Transition

[Question] There is a lot of mystery surrounding the transition period, Minister. It has not been clearly enough defined. How do you envision the transition period, and what importance do you attach to it?

[Answer] The transition period is fundamental not only for the new political institutions' progressive implementation and momentum, but also for the full development of participation in the intermediate organizations of society independently of the political institutions, based on an orientation towards

the intermediate organizations' own specific goals. The transition is also indispensable for the strengthening of economic development and social justice, as well as the consolidation of liberty on those two levels. It is my firm opinion that these factors form the basis of a solid and stable democracy. Economic and social freedom are the foundation of political freedom, and for this reason the lasting integrity of the latter requires that the time be taken to consolidate the first two.

[Question] How much time do you think Chile should remain under interdiction?

[Answer] In the first place, Chile is not under interdiction. And as you can see, we have made a lot of progress and will continue to make even more, but there still remains much to be done. For this reason it is impossible to establish deadlines. But this should motivate us to redouble our enthusiasm, not to feel that we are under an interdiction, as certain politicized groups unfortunately feel.

### Ideology and Its Enemies

[Question] How would you define this government's ideology?

[Answer] As that of a Christian and nationalist humanism. I say humanism because the dignity and rights of man form the basis and objective of all government activities. I say Christian because this vision comes from the Western Christian civilization to which we belong; it perceives human progress not just as a material or intellectual progress, but also and especially as a constant improvement of the scale of moral values that should govern any society. I say nationalist because it is based on Chilean tradition and idiosyncrasies. It eschews ideological dogmatism, foreign domination and revolutionary myths that do not recognize reality. The most complete and thorough statement of this government's ideology can be found in its Declaration of Principles, with which I wholeheartedly agree.

[Question] Who, in your opinion, is the government's worst enemy?

[Answer] First of all, the Marxists. Secondly, other proponents of totalitarian doctrines, such as fascism, who while sometimes claiming to support the government should know that the latter disavows any relation with them and rejects them. In the third place, there are those political parties that desire only the restoration of the institutional molds of the old democracy, which came to a definite end in 1973. To make matters worse, these groups are generally dependent on international party organizations. In the fourth place, I would classify as obstacles to the state, rather than enemies, those people whom I call "immobilists," who are often participating in the government in good faith, but who try in vain to paralyze things and maintain the status quo. They resist any progress towards new democratic institutions, and by rejecting the government's proposed democracy, they are inadvertently playing into the hands of those who really do want to return to the old democracy. If we were not successful in building our new institutions, sooner or later this country would go back to the same systems that failed in the past.

## Integration

[Question] Would you say that there is really integration between the civilian and military elements of the government now?

[Answer] Absolutely.

[Question] How is that civilian-military integration manifested?

[Answer] Just think: you are talking to a civilian who heads the cabinet of a military government. I don't know how many similar cases have existed or do exist in military regimes, but you can be sure that if there are any at all they are very rare. Civilian-military integration is not found only in the cabinet; it exists on the regional level, where there are military intendents and governors, along with many civilian mayors. It seems to me that we have already achieved full integration of civilian and military elements, and I think that there is never a distinction between military and civilian personnel in government appointments or meetings. Even in the most secret matters of national security we civilian ministers participate fully.

## New Model

[Question] You have said that "traditional democracy" failed in Chile. What different model do you envision that would be truly democratic without involving the institutionalization of autocracy?

[Answer] I think that democracy as a form of government is the only viable way for Chile to have a normal future. Any other way would seem unrealistic to me. I think that any democracy presupposes that political authority derives from the community, and that the exercise of this authority is subject to the control and political responsibility of various organizations that are independent of each other. I believe that Chile reached such a crisis that it needed an active and efficient military government such as the one we have now, for a period long enough to lay the groundwork for a stable democracy. But when the new institutions are in full force, there will be a clearly and undeniably democratic system of government which will serve liberty, security, progress and justice as a way of life.

[Question] In your opinion, what caused the failure of "traditional democracy"?

[Answer] It was used to favor totalitarianism and statism instead of liberty; subversion and violence instead of security; demagoguery, economic setbacks and social injustice instead of progress and justice. The new democracy that we are building is designed precisely to correct this problem; that is what makes it distinct. But for this very reason I regard democracy as a means, not an end in itself. It is a means that is desirable to the extent that it lends itself to the promotion of liberty, security, progress and justice. But it can fail if an inadequate design results in the promotion of the opposite values I have just mentioned. Unfortunately, this is what happened in our country during the period leading up to 1973.



## The Will of the People

[Question] You just said that democracy presupposes that political authority derives from the community. Are you referring to universal suffrage, or some other formula?

[Answer] I am referring to universal suffrage as a central or predominant formula, but not an exclusive one. This is set forth in the government's National Objective. I think that with all its flaws, universal suffrage is the least imperfect method of determining the will of the people in terms of national politics. For this reason, I agree that it should be the predominant system in generating political authority in a democracy. But what I do not agree with is that it should be the only means to that end. The nation's political will is much more complex and profound than a simple election or plebiscite. I think it would be a mistake to make universal suffrage a dogma when it is simply a practical way that has been selected because of a lack of better methods. But if we acknowledge that it is imperfect, we must fill in the gaps and make up for its deficiencies or hazards. Therefore, I am in favor of complementing universal suffrage by generating some political authority--for example part of the Senate--through people who have held the highest positions in the republic and who could thus give the democratic system a guarantee of continuity, moderation and experience. No one could deny that these people represent the national will and Chilean patriotism.

## Voice of the Church

[Question] Mr Minister, do you concede that the Church has the right to express its opinion on issues that relate to morality, such as the matter of the "desaparecidos," Lonquen, etc.?

[Answer] Of course, but as long as--as its own doctrine states--it abides by moral principles, or allows their clear and reasonable application to a situation in which the practical consequence of the moral principle is unequivocal for the specific case at hand.

I do not think it is the Church's role, on the other hand, to make interpretative judgments of political issues in controversial situations, because two people who adhere to the same moral principle could reach different conclusions or interpretations of the same issue, both of them legitimate from the point of view of Catholicism. In such a case, I don't think it is right for church officials or clergy to take definite stands, because that goes beyond moral issues and enters into the sphere of politics. I think that Pope John Paul II is a great example of how the Church should proceed on this matter. I hope he will give guidance to those Chilean ecclesiastical sectors that are confused about this issue. At any rate, the government respects all religious convictions equally, and tries to have harmonious relations with them, encouraging mutual respect for the various missions of each group.



## Framework for Debate

[Question] The government has said that there is a framework for the debate on institutionalization. Could you tell me what that framework is?

[Answer] In this respect we must point out, of course, that by institutional debate we are not just referring to the debate on the new constitution or the political plan in general, but also to the discussion of the new economic and social institutions. In the latter field we have the president's guidelines for education, the labor plan, agricultural policy, etc. There has been and will continue to be open and wide-ranging debate on all these issues among the citizens. What we cannot permit is the use of this debate to directly or indirectly impugn the legitimacy of the government or to mock the suspension of political activities, or to try to encourage valid participation in Chilean civic life on the part of those who advocate doctrines or belong to movements that promote totalitarianism, such as, for example, those who believe in one way or another in a society based on the class struggle.

[Question] Don't you think that framework is too narrow or rigid?

[Answer] The imposition of this framework does not in any way preclude an open and genuine debate on the new institutions. No one can argue that we have not allowed free discussion of these issues, including the economic policy, the labor plan, health and agrarian policies, the new constitution and all the other matters that are part of the new institutionalization.

[Question] Why, then, was the "Group of 24" prevented from publicizing its proposals for the constitution if you claim that the debate is open?

[Answer] Because what violates the suspension of political activities, or contributes thereto, is the concentration of political or easily politicized groups. However, as I expressly pointed out in a statement on that subject, the fact that this group or any other wants to express its point of view on the new constitution does not violate the suspension of political activities. These groups can use the mass media for this purpose, just as any group of citizens can and does. I think this is much more effective for publicizing a proposal than holding a meeting in a theater.

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CSO: 3010

## DEPARTING EX-PUERTO RICAN PRISONERS HAIL CUBAN HOSTS

PA092018 Havana International Service in Spanish 1600 GMT 9 Nov 79 PA

[Text] We are leaving in Cuba our hearts, our gratitude for the high honors we have received and our hope to become independent and free like you some day. The statement was made by Puerto Rican patriot Lolita Lebron shortly before leaving Havana at the end of her visit to Cuba in the company of Oscar Collazo, Rafael Cancel and Irving Flores.

Visibly moved, the four Puerto Rican patriots told Radio Havana that they are leaving here their eternal gratitude to Cuba and its people for their firm support to Puerto Rico's independence cause.

Lebron emphasized they were leaving happy and homesick because Cuba is a nation which has given Latin America, and especially Puerto Rico, a motive and impetus to fight imperialist domination. She added human rights are not only proclaimed but visible here in the people and particularly in the happy and noble children of this great nation, this first free territory in America.

We are leaving here with the conviction our visit to Cuba will serve to advance Puerto Rico's independence and after recovering from the deep wounds left in us by our U.S. jailers during our long captivity.

For his part, Rafael Cancel Miranda said he was not saying goodbye to Cuba because it is impossible to say goodbye to a people like the Cuban people. I am proud of them and the dignity they have raised on this continent, which reaches all peoples in our America.

The Puerto Rican patriots--who traveled to Puerto Rico via Panama and Venezuela--were seen off by Cuban Vice Foreign Minister Ricardo Alarcon and Jose Arbesu, section chief in the America Department of the Cuban Communist Party Central Committee.

CSO: 3010

## BRIEFS

**HISPANIC CULTURAL INFLUENCE**--Minister of Culture Armando Hart yesterday hosted a cocktail party in honor of the participants in the Conference of Experts on Hispanic Cultural Influence in Latin America and the Caribbean which is being held in Havana since 5 November. Those in attendance included (Dario Moreira), UNESCO director of culture for Latin America and the Caribbean; Vicentina Antuna, chairman of the Cuban National UNESCO Committee; and several vice ministers of culture. The party opened with a performance of Danza Nacional de Cuba. [Text] [FL091118 Havana Domestic Service in Spanish 1100 GMT 9 Nov 79 FL]

The meeting by experts to study the influence of Iberian cultures in the formation of Latin American and Caribbean culture, which was sponsored by UNESCO, ended today at noon at the Casa de las Americas. In closing the meeting Julio le Riverend, former Cuban ambassador to UNESCO and president of the meeting, emphasized the positive results of the debates in which 14 personalities, sailing from the Philippines, Peru, Spain, Mexico, Panama, and Cuba participated along with a group of observers. On behalf of the participants Spanish delegate Antonio Gallego (Morell), expressed his thanks for the hospitality provided by the Cuban Government, the Casa de las Americas and UNESCO. The agreements and recommendations approved at the meeting and appearing in its final declaration will be disseminated by UNESCO. [Text] [FL092109 Havana Domestic Service in Spanish 2004 GMT 9 Nov 79 FL]

**HAVANA RENOVATION MEETING**--A meeting was held yesterday at the high school in old Havana to take the first steps in drawing up a broad program to vigorously conserve old Havana as a cultural and historical patrimony of our people. The meeting was presided over by Armando Hart, member of the Politburo and culture minister, Julio Canacho, member of the PCC Central Committee Secretariat and first secretary of the PCC in Havana City Province, and Oscar Fernandez Mell, member of the PCC Central Committee and president of the Havana City Provincial People's Government Assembly. In speaking at the meeting Armando Hart stated that old Havana is a jewel of international standing, and that to conserve the city we should call on the permanent and specific support of all factors which in one way or another can cooperate in this just and beautiful endeavor. [Text] [FL142322 Havana Domestic Service in Spanish 2230 GMT 14 Nov 79 FL]

MID-LEVEL LAW SPECIALISTS GRADUATE--The first graduating class of mid-level law specialists has been held at the National Penitentiary School of the Interior Ministry which is located next to the [word indistinct] electric power complex. The ceremony was presided over by Div Gen Sergio del Valle, member of the Politburo and minister of interior. The graduating class achieved an average grade of 98.7 percent and academic production was 89.5 percent, according to a report from the school's administration. [Text] [FL130016 Havana Domestic Service in Spanish 2230 GMT 12 Nov 79 FL]

CANECUTTERS HONORED--Guillermo Garcia, member of the PCC Central Committee Politburo, has presided over the ceremony presenting national sugarcane harvest hero medals to 16 workers from the Havana Transportation Trade Union. (Braulio Mata), national work hero and head of the 62d Anniversary of the October Revolution Canecutting Brigade, received the prestigious award from Guillermo Garcia who then strongly embraced all those awarded. At the ceremony it was reported that 134 canecutters of this sector achieved the distinction of millionaire vanguard with 150 percent fulfillment of the norm and 80 percent attendance in the fields. [Text] [FL122321 Havana Domestic Service in Spanish 2230 GMT 12 Nov 79 FL]

PUERTO RICAN SOCIALISTS CHARGE MURDER--In Mexico City, the representative of the Puerto Rican Socialist Party announced that the murder of proindependence youth Angel Rodriguez Cristobal demonstrates the inhuman nature of the U.S. Government and its domination over Puerto Rico. In a communique released yesterday the representative of the Puerto Rican Socialist Party points out that the United States used the infamous excuse of suicide to justify the death of Rodriguez, a member of the Socialist League of Puerto Rico. Rodriguez was found last Sunday hanging by the neck in one of the cells of the Tallahassee Prison in the state of Florida. The Political Committee of the Puerto Rican Socialist Party calls on all progressive organizations and governments in the world to condemn the crime whose objective is to weaken the struggle for independence of the Puerto Rican people. [Text] [FL141107 Havana Domestic Service in Spanish 1030 GMT 13 Nov 79 FL]

CSO: 3010

## CEPE REVENUE TO BE REDUCED BY 660 MILLION SUCRES

Quito EL COMERCIO in Spanish 21 Oct 79 pp 1, 17

[Text] The Ecuadorean State Petroleum Corporation (CEPE) will have a reduction of 660 million sucres in its revenue this year, and it has been estimated that the losses up until 1983 will amount to 17 billion sucres.

According to the entity, this deficit, a result of several measures ordered by the military government, will directly affect the projects planned in the petroleum area.

On the basis of an evaluation made for the period until 1983, it is claimed that, although the Corporation may settle its financial situation over the short and medium term, the measures ordered by the previous government would affect the institutional budget.

## Reduction in Funds This Year

The report states that, in February of this year, instructions were given to the Central Bank to deduct 18.5 percent of CEPE's commissions from exports of crude oil, with a 1.5 point increase over the previous rate. This measure reduced its revenue by about 60 million sucres this year.

Moreover, during July, concurrently with the issuance of the oil company's general budget for 1979, another order was given whereby the Corporation's income from exports of byproducts processed by the nation's refineries was cut by 50 percent.

Hence, for the current year, it was arranged in this way to allocate 600 million sucres to the state budget.

These measures will have a serious effect on the entity's budget during the next fiscal year, and will greatly influence its medium and long term projections; because the extent of their effect has been left undetermined after 1980, when the Central Bank will start applying the 50 percent coefficient on exports of byproducts, without any limits on quantity.



This represents about 1.4 billion sucres up until 1981, and approximately 6 billion sucres starting in 1982, the date on which larger volumes of exports would be available in the event that the installed refining capacity in the country were to increase.

All these measures are detrimental to the normal progress of the CEPE, an entity which is responsible for setting up a genuine national oil industry for the country's benefit.

Marc Rich and PETROPERU [Peruvian State Petroleum Agency]

Apart from the rights that have been mentioned, the military government adopted a series of additional measures which are upsetting the normal economic development of the CEPE. For example, it ordered that the proceeds from the amounts of revenue collected from the Marc Rich Company for crude sales in 1976, totaling \$12,450,841, of which sum the CEPE was to receive approximately 94 million sucres, were to go to the General State Budget.

This same order stipulated that the amounts paid by PETROPERU for crude oil purchases were also to go to the treasury, despite the fact that they had been specifically allocated for service on the debt which the CEPE had contracted with an international financing agency. This sum represents \$48 million, thereby causing further economic damage to the entity, which deserves all of the government's backing, inasmuch as its endeavors will serve to protect the nation's energy future.

From the evaluation that has been made and the effects of these measures, one may conclude that, from now until 1983, the CEPE will suffer losses of about 17 billion sucres, something which will definitely affect the scheduling of the projects which the present government is attempting to carry out in the petroleum area.

2909

CSO: 3010

## BUCARAM SETS 1980 BUDGET AT 54 BILLION SUCRES

Quito EL COMERCIO in Spanish 1 Nov 79 p 1

[Excerpt] Yesterday, the president of the Chamber of Representatives, Assad Bucaram, revealed that the general state budget for next year amounts to 54 billion sucres, while at the same time reiterating his opposition to the creation of new taxes; and he advised the finance minister to make an effective tax collection which, if carried out, would bring the treasury about 20 billion sucres, as he claimed.

At a lengthy session held in the afternoon, attended by the ministers of defense, finance and natural resources, the comptroller of the nation and the manager of the Central Bank, the Chamber of Representatives held a public discussion of economic matters; while dealing with the same topics in the morning privately.

## Military Spending

The budget will amount to the figure cited by Bucaram as a result of the fact that the outlays planned for the armed forces, according to the disclosure, will total 15.6 billion next year, and 53 billion for the 5-year period.

The figures which were analyzed at the private session in the morning evoked a forceful speech from the PNR [Nationalist Revolutionary Party] legislator, Jaime Damerval, at the extended afternoon session.

He said: "To vote for a war budget when there is no intention of waging war is disgraceful. If you say that a step ahead is worth 15 billion sucres a year, the people of Ecuador say that they want to take many steps ahead; but it is repugnant to ask a hard-working, decent people to remain immobile for 15 billion sucres a year."

## Increased Reserves

The minister of natural resources, for his part, said that his ministry's policy is one of increasing oil-bearing reserves for the future, with a view toward insuring the people's prosperity in a reliable manner.

he stressed the fact that there are at present 1.298 billion barrels of proven reserves, unlike 1972, when the figure totaled 1.6 billion. The manager of the Central Bank declined to express an opinion on Bucaram's claim that the former officials had squandered public funds; but promised an investigation of the case. He quoted figures on the amounts of money that have been turned over to the National Defense Junta, which received 724 million sucres in 1978, and 456 million thus far this year.

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CSO: 3010

## BRIEFS

ENERGY CONSUMPTION--An analysis of the problem related to the energy imbalance that exists in the country was made during a meeting of technicians from the National Development Council and the Ministry of Natural Resources to determine the energy policy which is to be included in the national development plan. During the working session, chaired by the ministry's coordinator, Dr Polibio Cordova, it was stated that the energy imbalance is a result of a domestic energy consumption amounting to 54 percent of the oil, despite the fact that this nonrenewable resource constitutes only 19.4 percent of the energy sources available to the country; whereas hydroelectricity generates 4 percent, despite the fact that it constitutes 78.3 percent of the nation's energy potential, according to a statement made by the head of the State Secretariat, economist Mauricio Davalos. At the meeting, mention was made of the need to promote oil exploration that will make it possible to increase the current hydrocarbon reserves and to put new oil-fields into production of crude oil; since, if the current consumption rate should continue, the country will have to import oil by 1984-85. It was emphasized that hydroelectric projects must be developed shortly to change the present energy structure, as well as other non-traditional sources such as solar, wind and geothermal. These meetings will continue to convene this week. Present at the first working session were engineers Rodrigo Cabezas, of the National Development Council; Luis Roman, director of hydrocarbons; and Carlos Quevedo, head of the INE [National Energy Institute?]; as well as economist Manuel Tobar, director of the program; and engineer Oswaldo Hernandez. [Text] [Quito EL COMERCIO in Spanish 22 Oct 79 p 1] 2909

CSO: 3010

## 'CLEANER' RAPS DICTATORSHIPS IN CARIBBEAN

FLO81450 Kingston THE DAILY GLEANER in English 6 Nov 79 p 1 FL

[Editorial: "Say No to the Dictators"]

[Text] Jamaicans who believe in freedom of expression must feel shamed at the failure of the Jamaican Government to condemn the dictatorial and totalitarian action of the Grenada Government in closing down the TORCHLIGHT newspaper. That shame has been increased by Mr. Manley's cavalier approach in a statement in New York when he disagreed with the Barbados Government which has condemned the closure and which has also deplored other abuses of human rights in Grenada.

He has thus also disagreed with the Trinidad attorney general who has deplored the Bishop violations.

It must be remembered of course that Mr. Manley has been very close to Mr. Bishop and his co-revolutionaries in the March 13 coup. Mr. Manley's government was among the first not only to recognize the Bishop illegal government, but to give it aid, including assistance in media policy and development. But Mr. Manley's affection for the leftists in Grenada cannot be justification for excusing the abuses of human rights in that territory--abuses highlighted by the unprecedented closure of the independent TORCHLIGHT.

It was on March 13 that Bishop carried off an unprecedented seizure of power by a coup in a British Commonwealth Caribbean country. When voices in the smaller territories expressed their alarm, the bigger territories led by Jamaica brushed these aside with Trinidad taking a hands-off attitude.

Events since that ill-fated March 13 day have shown that the Bishop dictatorship is as harsh as the Gairy dictatorship, the only difference being that Gairy was elected and Bishop got to power through the possession of guns.



Bishop has been announcing plots of counter-coups and arresting people for these plots, as he knows that he who comes to power by a coup is most vulnerable to counter-coups.

We do not believe that a coup is an expression of self-determination by the people. That is why we have called on Bishop to hold elections, but the possibility of elections now seems to be receding as Mrs. Phyllis Coard indicated in her statement in Jamaica when she said that the "people" had already voted on March 13--i.e., through the coup.

We reject this approach and repeat our call for early elections in Grenada, for until then the Bishop government cannot claim legitimacy, and cannot be regarded as speaking for the people of Grenada.

We can see little difference in principle between the Pinochet dictatorship in Chile which overthrew the elected Allende government and the Bishop dictatorship in Grenada which also overthrew an elected government. True Pinochet's excesses have been greater and more bestial, but he and Bishop came to power by the same disgraceful unacceptable manner of seizure of power, though Bishop's was far, far less bloody.

For Jamaica through Mr. Manley to embrace Bishop's dictatorship openly, and to even make excuses for his abuses of rights including no doubt the closure of the TORCHLIGHT is to heap shame upon shame on the heads of freedom loving people of Jamaica. We cannot accept that a leftwing dictatorship is entitled to trample peoples' rights in the name of socialism, in the same way as we condemn the brutal repression of human rights in rightwing dictatorships such as Pinochet's in Chile.

The Caribbean peoples struggling for a place in the sun of freedom and development cannot afford the excesses of a Bishop or a Gairy.

It is time for the governments of CARICOM to meet and read Mr. Bishop a lesson in freedom and human rights. And Mr. Burnham too. For unless the peoples of the Caribbean bring their disgust now forcibly to the attention of these would-be tyrants, the virus of dictatorship will have infected us all--irreparably.

CSO: 3020

## BRIEFS

CUBA'S RAMON CASTRO VISITS--Ramon Castro, director of the Valles de Picadura livestock breeding farm, has visited the (Serge Island Dairy Ltd) agricultural-livestock farm located in the Jamaican parish of Saint Thomas. The farm includes a cattle project with over 2,000 dairy and hybrid cattle of the varieties known as Holstein and Jamaica Hope. The farm has about 1,600 acres. The farm was established in 1974 and also serves as a source of milk supply for the capital's market. Ramon Castro exchanged ideas with the directors of that agricultural-livestock center on the development and care of the cattle, and held a cordial and fraternal meeting with the workers at the farm. [Text] [FL101319 Havana Domestic Service in Spanish 1100 GMT 10 Nov 79 FL]

CSO: 3010

SUNTU: REGISTRATION OR STRIKE

Mexico City EL SOL DE MEXICO in Spanish 12 Oct 79 p 3-A

[Text] STUNAM (Union of Workers of the Autonomous Metropolitan University) leader, deputy Evarisco Perez Arreola said yesterday that, if the country's labor authorities reject the official registration of the Single National Union of University Workers, "we will launch a national strike in all of the universities of Mexico."

He explained that it is high time for all universities to have a single legal system with respect to labor (and that can be achieved only through the creation of SUNTU (Single National Union of University Workers) through which we will seek to establish a single work contract in order thus to demand the rights which the more than 50,000 workers at those centers of education have."

The Single Union of University Workers "is the only alternative to overcoming the isolationism of the university labor union and this is the only way to stop the systematic attacks against the democratic organizations," said Enrique Pino Hidalgo, leader of the Union of Workers of the Autonomous Metropolitan University.

With a membership of 55,000 workers in 36 labor union organizations throughout the country and after several years of struggle, the SUNTU (Single National Union of University Workers) is formally established today.

Next week it will forward its official registration to the authorities of the Secretariat of Labor and Social Welfare. The leaders of the new organization are confident that they will attain their objectives.

During a ceremony to be held in the Juan de la Barrera High School, in the presence of 8,000 nationwide delegates of the FSTU (Federation of Unions of University Workers) will become the SUNTU.

According to leaders of SITUAM, this will make it possible, the moment legal status has been achieved, to defend the labor rights of the university workers.

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CSO: 3010

COLUMNIST PEDRO GRINGOIRE DEFENDS SIL

Mexico City EXCELSIOR in Spanish 2 Oct 79 p 7-A, 8-A

[Article by Pedro Gringoire: "A Campaign of Lies"]

[Text] Precisely when President Lopez Portillo had just asked the information media above all to tell the truth, a weekly in this capital is sponsoring an infamous campaign of lies against a respectable institution which has done for Mexico's Indians what its detractors have been unable to do: The Summer Linguistic Institute. The attack comes from a so-called "College of Ethnologists and Anthropologists" which seems to be an organization of the imagination, if not a front. One of its reporters was a Jesuit priest well known for his extreme left-wing positions.

The Institute is a civilian association of linguists working in many countries for the primary purpose of translating the Bible into the languages and dialects of ethnic minorities. Its personnel lives with them in order to study their languages and their living conditions which are generally primitive and more or less completely unprotected. In view of this, their humane and Christian conscience makes them work at the same time toward the economic, social, moral, and cultural uplifting of the indigenous population in the environment in which they work.

In Mexico, the SIL has been at work for more than 40 years. Having been thoroughly and personally familiar with his work, General Cardenas gave it his determined support. Since then, the governments of Mexico have been doing the same thing to a greater or lesser degree. The institute has sponsors whose honorary chairman at this time is the chief executive and whose members are all very respectable persons, some of them prestigious Mexican linguists and anthropologists.

What are the charges that are made against the SIL? They vary and they range from fields such as linguistics all the way to politics. But, judged overall, they reveal two features: First of all, no bonafide evidence is supplied; secondly, the charges are based on simple "inferences"

obtained from the famous Marxist "analysis" of "reality" and presented dogmatically as if they were the truth.

All of this leads the challengers to the following slanderous conclusion: The SIL is "a secret political-ideological institution, an instrument that serves for the undertaking of implementing control, regulation, penetration, espionage, and repression by the government of the United States." Of course, the unspoken evil for whom the SIL is working would be the CIA. Two spokesmen of the so-called CEA (there is a similarity in the abbreviation, is there not?) confessed: "We have no way of proving it." But they cryptically alleged "the objective fact" (sic) "far beyond evidence" (17 September article, pages 13 and 14).

There is nothing that could not be "proven" with this odd method of "proof" which however supposedly is based on "the scientific analysis of reality." This is a deduction from Marxist dogmatics which aprioristically passes itself off as the essence and sum of truth. This is why a lie based on it must necessarily be the truth. We can see how useless it is to try to answer in detail the charges made by those who "reason" in this way.

In view of this slander one may ask oneself: What benefit could United States "imperialism" get out of indigenous communities in faraway forests, without any economic or political power, if they were to learn to read and write, if they had Bible in their own dialects, if they were to emerge from their traditional poverty and obscurantism, and if their way of life were to be improved in every way? On the contrary, would it not be better for it if those people continued in ignorance, backwardness, misery, and superstition—or would it not? In that way they can be more easily exploited.

"What purpose could there be behind so turbid and ignominious a campaign? It seems to come from armchair scholars and desk-bound bureaucrats lacking sufficient self denial and love for the Indians to go, as do the linguists of the SIL, into the forest, to live with those people. It also looks like a phase in the Cold War: If the SIL were a Soviet outfit, they would shout its phrases from the rooftops. It also seems like a hidden campaign against General Cardenas and his family who are great friends of the SIL.

Finally, it looks like a sordid attack upon the government of Mexico itself. The CEA "issues a call for the rejection of the policy which the state and the SIL has implemented in indigenous regions" (10 September page 11). The SIL has been having bad luck in finding itself caught in a general offensive which seems to have been launched in obedience to a command.

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CSO: 3010



## MEXICO

### FOREIGN EXCHANGE SURPLUS FOR PEMEX BY 1981

Mexico City EL SOL DE MEXICO in Spanish 13 Oct 79 p 5-B

[Text] If the programs for the utilization of petroleum wealth--as predicted and planned--are carried out, then the foreign trade balance in petroleum and byproducts will be favorable for Mexico for the first time in 1981 by more than \$800 million. One year later it will exceed \$1 billion.

This radical change in this balance, which historically has been unfavorable to Mexico, applies even in case Mexico should continue to increase its export of crude above and beyond exports of refined and/or processed products.

The above can be deduced from projections prepared by the planning department of the National Foreign Trade Bank which included a detailed statistical analysis of Mexican petroleum exploitation, production, and sales from 1911 until today. This study appears in the latest issue of the magazine COMERCIO EXTERIOR which that bank puts out each month.

"For Mexico," the study pointed out, "petroleum is a very valuable resource and a symbol of economic independence"; and since this resource was exploited by foreign companies until 1938, the study covers two measure phases: Before and after expropriation in 1938.

From 1911 until 1937, most of the petroleum output was exported. During some years, such as in 1920, 1923, 1924, and 1926, exports represented more than 90 percent of the output. In 1922, when 182.3 million barrels were produced, 99.2 percent were exported. Starting in 1938, exports were reduced in order to meet the domestic energy demand for industry, transportation, and the other economic activities of the country. In 1973, exports were reduced to the minimum when petroleum products amounting to 8.7 million barrels were sold abroad.

The study points out that, starting in 1974, Mexico again exported significant quantities of crude (306,000 tons) which went up until last year

when the figure came to 140.9 million tons. Mexican exports of gasoline, gas-oil, fuel-oil, and natural asphalt also went up but that is not true of paraffin, petroleum for burning, engine-oil, and diesel-oil; exports of the last three items were stopped in 1975.

According to projections, Mexican exports this year will come to \$8,715,000,000 but imports of consumer goods and capital goods will be on the order of \$10,870,000,000—according to estimates by Diemex-Wharton--which is why the Mexican balance of trade will still be unfavorable to the tune of \$2,155,000,000. For next year, this difference will be reduced to \$620 million. And in 1981, the balance of trade will for the first time be favorable to Mexico in the amount of \$862 million. According to projections, the balance in favor of Mexico in 1982 will come to \$1,395,000,000.

According to predictions and programs "we anticipate the immediate use of those resources since they will have to be employed only to a small extent for the payment of the debt in the public sector; nor do we visualize it being frozen in liquid assets, such as coal; instead, it is to be used to increase the capacity to import and to make sure that the foreign sector will cease to be the "bottleneck" which is so characteristic of economically insufficiently developed countries. In this way, Mexico will have financial self-determination; it will depend much less on foreign finances."

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CSO: 3010

PEMEX PROJECTS CAMPECHE OIL RESERVES

Mexico City EXCELSIOR in Spanish 18 Oct 79 p 5-A

[Text] The existence of 10,104 million barrels of crude in proven reserves has been certified in the Gulf of Campeche, according to federal deputy Dr Alejandro Sobarzo Loaiza; this figure is similar to the reserves in Alaska. He also said that due to the consolidation of the exclusive 200-mile economic zone, Mexico will exercise its sovereign rights for the purpose of exploring and exploiting its resources on the continental shelf.

Sobarzo Loaiza—who is also an advisor to PEMEX [Mexican Petroleum] on international affairs—said that 34 countries have already recorded hydrocarbon output figures on their continental shelves "and among the highly promising offshore regions, the Gulf of Campeche occupies a preponderant place; here, five wells—excluding Ixtoc 1—produce 82,000 barrels of crude per day, a figure that would be spectacular anywhere."

The specialist yesterday addressed the delegates to the 13th meeting on the Law of the Sea at the Economic and Social Studies Center of the Third World, referring to the legal aspects of nonrenewable marine resources. He said that the thesis of the exclusive 200-mile economic zone confirms the right of coastal countries to the living and mineral resources beneath the waters, on the ocean bed and in the marine sub-soil up to that distance.

The exclusive 200-mile economic zone—he said—was laid out starting in 1970, at least in Latin America, regardless of the rights of the government to the shelf. This new posture guaranteed riparian states—except where the proximity of another state prevents that—certain rights to mineral resources up to 200 miles, regardless of the configuration of the marine soil near their coastlines.

Sobarzo Loaiza talked about the work of the Third United Nations Conference on the Law of the Sea, where it was agreed that, although the continental shelf takes into account the natural prolongation of the territory and pushes it to the outer edge of the continental shelf, the

200-nautical-mile boundary would prevail even though that edge may not reach that far.

He affirmed that the rights of the riparian state to resources on the shelf are therefore held exclusively in the sense that, if the state does not explore or exploit its resources, nobody else can undertake such activities without the express consent of the state involved.

"Although natural resources include living organisms belonging to sedentary species, as in the case of food derived from fishing, fundamental interest obviously centers around mineral resources among which petroleum, gas, and multimetallic nodules stand out because of their importance," he added.

He noted that petroleum and gas exploitation in recent years achieved very important advances. In 1975, the output of crude was 8 million barrels of crude. The figure rose to 11.5 millions in 1978 and will keep going up because of the proven crude reserves on the continental shelf.

Concerning the multimetallic nodules, he said that they can be found in deeper waters and that the biggest accumulations predominate in areas beyond national jurisdiction, although that does not mean that there would not be important concentrations within the 200-mile limit.

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CSO: 3010

## HUGE OIL, GAS RESERVES PROJECTED FOR JALISCO

Mexico City EXCELSIOR in Spanish 12 Oct 79 p 1-A, 18-A

[Article by Antonio Garza Morales: "Crude and Gas on 47,200 Square Kilometers of Jalisco"]

[Text] Basin extending from south to coast. Cover areas of Tuxpan and north of Colima; will perhaps reach the sea: PEMEX [Mexican Petroleum]. Gasification in Coahuila Peninsula, 160 kilometers from Torreon. Possible oil deposits 13 kilometers from Durango; drilling to be continued.

Almost the entire south of Jalisco is a sedimentary basin covering 47,200 square kilometers—double the size of the State of Mexico—which contains gas and petroleum, according to a PEMEX report.

The petroleum-containing area is located from a place south of Lake Chapala all the way to the coast between the towns of Sayula, Ciudad Guzman, Autlan, Tuxpan, and the north of Colima.

Mexican Petroleum also announced that another area was discovered between the states of Coahuila and Durango which, in the light of the results from experimental wells, contains gas that might possibly hold oil.

Regarding the explorations and the basin of Jalisco, EXCELSIOR announced these discoveries a year and a half ago and the story has now been confirmed officially by PEMEX.

This petroleum area can even extend as far as the port of Manzanillo and move out into the sea, where drilling is extremely complicated because the water is so deep.

Concerning Jalisco, exploratory well No 1 is 160 kilometers south of Guadalajara and formations of sedimentary rock, constituted approximately 135 million years ago, have been found; they lead to the assumption of possible petroleum deposits according to the PEMEX report.



Gravimetry and magnetometry work continue in the area. Just 60 kilometers east of Jalisco 1, in other words, roughly in the vicinity of Autlan, there is a second location where drilling of an exploratory well will be started shortly.

As of now, the Jalisco 1 well is 1,920 meters east and plans call for drilling down to 4,000 meters.

Ever since the start of this 6-year term, petroleum engineers have been spotting deposits in the Jalisco Basin but the exploratory drilling work, which produced good results, was not started until the beginning of this year.

Concerning the so-called Coahuila Peninsula--which was a sea millions of years ago--a well was drilled 130 kilometers northeast of Torreon. It is presently more than 4,000 meters deep and manifestations of hydrocarbons, consisting of gasifications, were found at 1,690 and 3,094 meters. This well will be drilled to a depth of 6,500 meters.

Prior geological and geophysical exploration work revealed the presence of a huge structure formed by rocks from the Cretaceous and Jurassic periods.

The Ceballos well No 1--where geological conditions pointing to "incipient maturity" concerning a possible petroleum content were encountered--is also being drilled 13 kilometers southeast of Durango No 1.

Starting during the first quarter of 1980, Mexico will sell Japan 20,000 barrels of petroleum per day, on the basis of an agreement to be signed next December which will make it possible, by the same month next year, to reach a figure of 100,000 barrels per day.

#### Agreement Being Negotiated

Tokyo Nagayama, president of the Confederation of Petroleum Companies of Japan, announced the agreement which is now being negotiated at the end of the visit he paid President Lopez Portillo in Los Pinos.

Nagayama explained that Japan will pay Mexico the price determined on the international market.

At this time, while the agreement is being negotiated, the delegations have not yet determined what price will be fixed for export: The price prior to 8 January or the price fixed after that date.

The Japanese businessman indicated that his country is purchasing 1,825 million barrels of petroleum, which means that the 36.5 million barrels to be purchased from Mexico represent a minimum part of the energy demands that must be met in order to keep up the country's growth rate.

The contract now being negotiated will run for ten years and in its specifications it will be determined whether the sales volume is to go up on the basis of an increase in PEMEX' exploitation capacity.

Nagayama announced that Japan will pay for Mexican crude in advance, as was mentioned on one occasion. The crude will be purchased by the Confederation of Petroleum Companies of Japan in Mexican ports and will be carried to Japan in their own tankers.

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## SECOM PROJECTS 18.9 PERCENT EXPORTS GROWTH

Mexico City EL SOL DE MEXICO in Spanish 22 Oct 79 p 1-8

[Text] Exports of Mexican manufactured goods during the past two years went up at a rate of 22.6 percent and Mexico has managed to maintain an annual overall export growth rate on the order of 18.9 percent which is higher than the world trade average.

Mr Macedonio Barrera Rios, director-general of foreign trade incentives at SECOM [Commerce Secretariat?], assured his listeners that Mexico is now in seventh place among countries that stepped up their exports fastest, exceeded only by South Korea, Taiwan, Israel, Colombia, and Ivory Coast.

He noted that the country's growth, anticipated at between 8 and 10 percent, calls for a sustained rise in foreign sales through mechanisms guaranteeing the consolidation of a vigorous export structure.

He announced that exports of manufactured products between January and August 1979 went up 21 percent, a figure slightly lower than the one reached over the past 2 years.

Apart from petroleum byproducts, the most dynamic manufactured items during the first eight months of this year included those pertaining to transportation equipment, mechanical, electrical, and electronic machinery and moving parts; chemical substances and products, footwear, clothing, and food products, among others.

He pointed out that, according to IMF data, world trade increased at an overall rate of 11.3 percent per year since 1974, not considering the effect of prices which is why, in real terms, growth was only 3.5 percent this year.

He admitted that petroleum exports constituted an important factor in Mexican trade with other nations; he noted that it is necessary to exploit the current situation in order to diversify the range of products and markets with a view to making sure that Mexican exports will continue to have the support given them by the federal government; all that is necessary is greater aggressiveness in opening up new markets, he concluded.

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CSO: 3010

# MEXICO, JAPAN PLAN THREE STEEL MILLS

Mexico City EL DIA in Spanish 18 Oct 79 p 8

[Article by Luis Trejo: "58 Billion Pesos for Three Mexican-Japanese Steel Mills"]

[Text] Acapulco, Guerrero, 17 October. At the start of the 11th full meeting of the Japan-Mexico business community, three very important steel mill projects were announced today; they will be developed in Mexico starting in 1982. The investments, which overall will come to 58.2 billion pesos, will be financed by the Kobe Steel Company of Japan, Sumitomo Metal Industries, and Nippon Steel Corporation, SEPAFIN [Secretariat of Programming and Budget?], PEMEX [Mexican Petroleum], SIDER-MEX [Mexican Steel Corporation], and National Finance Company.

Sergio Garcia Ramirez, undersecretary for semigovernment industry, SEPAFIN, announced that the aspects and feasibility of the projects for the heavy foundry and forge and for the large-diameter pipe plant have been completed; subject to further study, work is being continued on the heavy steel plate plant which, on the Mexican side, will mark the second phase in the expansion of the Lazaro Cardenas Las Truchas semigovernment steel enterprise and which will continue to be under that outfit.

## Heavy Foundry and Forge Project

"The project," said Garcia Ramirez, "includes the foundry and open forge for steel parts with a gross weight of up to 70 tons; the machining of units with a maximum weight of 80 tons; the production of parts with a weight between 50 and 300 tons; and the capacity for assembling large machines. The proposed plant--whose output will cover a good portion of the national demands projected for 1983, the year operations will start, and until 1989--will have an output capacity of 14,000 tons of finished forge parts, 14,000 tons of foundry parts, 26,000 tons, of machined parts, 10,000 tons of manufactured parts, and the assembly of 10 equipment units [sic]."

It has been recommended," he continued, "to put this plant in the industrial port of Lazaro Caddenas, Michoacan, to be included as a priority zone. The anticipated investment has been estimated at 6.5 billion pesos, an amount based on preliminary estimates. It is calculated that it will provide 2,200 jobs."

"In recent days," he added, "there have been more talk with representatives from Kobe Steel and the officials of the Mexican enterprises SIDERMEX and National Finance Company."

#### Large-Diameter Pipe Plant Project

The project for the manufacture of large-diameter pipes--Garcia Ramirez explained--is based on the accelerated expansion of PEMEX facilities where the demand for this item cannot be met by domestic industry currently operating.

Three stages were considered for the implementation of the project: The stage between June 1982, the time at which the plant should be in operation, and 1984, with the production of 150,000 tons per year, operating three welding lines.

Considering the existing estimate on the supply and demand--he noted--this project, together with the industrial plants in operation, will make it possible to meet the Mexican demand and to take care of exports amounting to approximately 50,000 tons per year going to markets in the United States and Latin American countries, after the second phase has been completed, starting in 1985.

The total presumed investment comes to 3.7 billion pesos for the project itself and 1.15 billion for the infrastructure. About 90 percent of this latter figure will be earmarked for worker housing.

On this project--he added--there was close collaboration and contact with the corresponding Japanese enterprise, Sumitomo Metal. Mexican participation will likewise be channelled through SIDERMEX and National Finance Company.

#### Wide-Steel-Plate Project

Through this project--Garcia Ramirez concluded--we can guarantee the supply of raw materials and energy sources; the total investment will come to 48 billion pesos and the profitability will be 7.5 percent. It is believed that the expansion of the steel mill will provide jobs for 6,000 persons.

Concerning the financial evaluation, we have been figuring on a project implementation schedule covering 43 months, including trial runs and start-up. The learning curve has been calculated at four years before the plant can reach maximum output capacity. Conversations with Nippon Steel Company also took up this aspect in recent days.



## MEXICO

### RAILROADS MODERNIZATION PLANNED

#### . Infrastructure Modernization Planned

Mexico City EL DIA in Spanish 9 Oct 79 p 6

[Article by Ricardo Garcia Ortega: "National Railroad Infrastructure Modernization Program Launched"]

[Text] Announcement by secretary of communications and transportation in opening the meeting of the Latin American Railroad Association.

A program for railroad infrastructure modernization in Mexico was launched with an investment of 27 billion pesos.

This announcement was made by communications and transportation secretary Emilio Mujica Montoya in opening the 15th Regular General Meeting of the Latin American Railroad Association yesterday. He pointed out that a big, "multimodal" enterprise will be created with this program; the government will hold majority shares in that company and the company will have to coordinate all of the national transportation facilities and thus meet the needs which arise in this sector so that we may contribute to the country's economic growth.

Mujica Montoya told the delegates from 17 countries of the American continent and representatives of international financing organizations, such as the OAS, the WB, the IDB, and ECLA, that the administration of President Lopez Portillo is committed to modernizing the country and this is why activities in the transportation sector must be employed rationally so that the sector may contribute to the country's economic growth. The railroads are the carrier of the future and not the past, the official remarked.

He pointed out that, after the obstacles have been removed and after problems arising last year have been resolved—when, in connection with Mexico's economic growth, after the end of the recession, there was a great need for importing capital goods and food which, in turn, caused

heavy overcrowding due to the lack of handling equipment--a program was outlined in this sector and approved by President Lopez Portillo at the beginning of this year in order to modernize the railroad infrastructure primarily.

The program, which will get partial financing from the WB, calls for the straightening of 900 kilometers of curves and grades in keeping with Mexico's orography; lines will be cleared and shortened for unit trains running from north to south without being routed through the valley of Mexico; this includes the installation of freight yards and terminals in Guadalajara, Coatzacoalcas, and Monterrey, which for a long time only represented dreams.

The right of way will also have to be taken care of properly and that includes the cut leading to Tampico--one of the three keypoints in the development of industrial ports--the cut leading to Mexico City, with its big production centers and population growth; the coastal rail line along the gulf, between Tampico and the Port of Veracruz. As part of this program--and even though the results of this effort will not be seen until the second half of next year--the president of the republic will have to put into service 200 kilometers of rail line from Corondiro to the industrial port of Lazaro Cardenas, on the Pacific, in order to include this development center in the national railroad net and to involve it in the region's economic growth.

As part of the railroad modernization effort, we will need financing of 100 million pesos by 1980 to study the electrification of this sector; this will make the railroads increasingly efficient. As soon as the studies have been completed in 1980, we could possibly start railroad electrification around 1981 on the double-track line to Queretaro.

The "multimodal" enterprise, details on which will be given shortly, is to be an organization made up of the entire transportation sector, that is, the railroads, the Mexican airline enterprises and AeroMexico, Mexican Maritime Transports, port workers, and federal public freight motor transport.

These organizations will participate on this enterprise as stockholders and the government will be the majority stockholder; this share will result in a reduction in the high goods transportation rates.

The modernization effort, which also includes the installation of containers in the Isthmus of Tehuantepec, represents an advance toward that end; it must be kept in mind that public investments during this decade in the transportation industry had been declining and that in turn caused serious problems last year due to the infrastructure deficiency; this also created an economic growth crisis in Mexico, primarily in the steel industry, food imports, and the construction of the gas pipeline by PEMEX [Mexican Petroleum], as well as in the mining, cement, and other industries.

## Modernization of Mexican Railroad Urged

The opening session was also addressed by Luis Gomez Z., the director-general of the National Railroad, who stressed the urgent need for modernizing this sector—including all railroads in Latin America—as one of the top priorities.

As President Lopez Portillo put it—Gomez Zepeda noted —modernizing Mexico means completing the country's decolonization, providing impetus for social growth, and promoting a new worldwide economic order.

He stressed the advantages of the railroads as a transportation system capable of performing service under optimum conditions—service which can be stepped up through the adoption of technical, low-cost innovations.

Amiliano Flouret, secretary-general of the Latin American Railroad Association, stressed the need for providing impetus for this means of transportation which is cheap and consumes little in the way of hydrocarbons, particularly in view of the energy crisis experienced by all countries of the world; this must be considered in any approach to the energy policies of all nations and especially in Latin America.

He stressed that this must be seriously considered not only because of the fact that cheap energy sources are drawing toward an end but also because worldwide petroleum resources are dwindling, in other words, they will meet our needs only for a few more decades.

He finally mentioned that petroleum consumption by Latin American transportation systems, which have very high individual car utilization rates, comes to 60 percent whereas in Europe the figure is only 30 percent because the use of railroads and electrification is in an advanced stage there.

## Rollingstock Rentals Very High

Mexico City EL DIA in Spanish 9 Oct 79 p 6

[Text] Mexican National Railroads is paying foreign outfits, primarily from the United States, about 2 million pesos per day for the rental of boxcars, according to its director-general, Luis Gomez Z.

The official added that "as a result of progress" in Mexico's favorable production situation, the number of freight-hauling units is insufficient to meet Mexico's needs.

This is why it was necessary to rent freight cars of which we normally require 3,000, although this figure goes up by 6 or 7 percent each year. However, because of Mexico's production activities, it became indispensable to lease 12,000 freight-hauling units for which we pay \$7 per day, per boxcar, mainly to United States companies.

He said that, because of accelerated economic growth achieved starting a year ago, a bottleneck developed in the transportation sector which has now been resolved. However, these bottlenecks will never really be done away with because of fluctuations in Mexico's output volume.

He explained that the unloading and handling of capital goods and bulk imports have been processed through in the ports of Manzanillo and Mazatlan. But at Veracruz there are still eight vessels loaded with food.

#### Locomotive Purchase

He also announced that the 1980 budget will be disclosed this week and that it calls for the purchase of 100 locomotives, a figure which will go up to 107 next year, since between 80 and 100 traction units are required each year.

He said that there is as yet no program for the construction of locomotives because these are required annually, something which is not true of boxcars which are handled through the National Railroad Car Construction Company. The normal boxcar requirements have been met, although not those connected with peak output times, as a result of Mexico's economic growth; this is why it was necessary to rent 12,000 foreign units this year.

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## JAIME WHEELOCK CALLS FOR CUTS IN STATE INSTITUTIONS' BUDGETS

PA022257 Managua Radio Sandino in Spanish 1200 GMT 29 Oct 79 PA

[Text] A policy of high salaries is not advisable for the revolution. Attention: Government workers, particularly officials in charge, ministers, directors of institutes and so on, should listen to this. This is virtually an appeal to revolutionary conscience. Some workers in some state institutions are earning very high salaries. The workers of the Agrarian Reform Institute [INRA] have waived the 13th month bonus to benefit the revolution. Commander of the revolution Jaime Wheelock explains the reasons for this action:

[Begin recording] The government's general revenue budget can guarantee approximately 800 million cordobas to cover expenditures from September to December this year. The budget submissions by various ministries is much higher than that figure. I think it is around 1.4 billion cordobas. This situation can be solved through various alternatives. The least desired alternative would be to obtain foreign financing. Another alternative would be additional taxes. There are also some special fiscal measures which can be taken. However, I think we in the government should make a great effort to avoid what we could describe as nonessential expenses while the Nicaraguan economy recovers.

That is why we at the INRA are trying to adjust the INRA's salaries to the crisis situation following the war and destruction. The INRA's wage scale is the lowest in the government. We think other ministries could also adopt our scale which is considerably lower than theirs. We have found a great spirit of cooperation and understanding among our brothers who work in the INRA. They understand at this time it is very important to make personal sacrifices to help the country and reconstruction.

We are also going to eliminate nonessential expenses in order to further lower our budget. The INRA is probably one of the most important state institutions for revolutionary change. From what we have heard from the companeros of the government and the Sandinist Front, it is really a fundamental part of the revolution. Nevertheless it is ninth in budget



size. We have about 9 million cordobas budgeted for administrative expenses. I feel some other state institutions can lower their personal expenses.

The INRA is going to announce to the government that all its personnel will waive the right to the 13th month bonus established by law. This will result in a big savings for the government. I think if all the government institutions did the same we would save approximately 139 million to 140 million cordobas. [end recording]

CSO: 3010

## HASSAN URGES RENUNCIATION OF CHRISTMAS BONUSES

PA061751 Managua Domestic Service in Spanish 0400 GMT 6 Nov 79 PA

[Text] Here are the statements made by Companero Moises Hassan, member of the junta of government of national reconstruction, regarding the current discussions on the 13th month wage, or Christmas bonus.

[Begin Hassan recording] We wish to refer to a topic being discussed by the private sector and mainly by government employees. It is the subject of the 13th month wage. The Nicaraguan revolution is asking for sacrifices at this time from all Nicaraguans, including the leadership. The 13th month wage is a benefit won by the Nicaraguan Proletariat, a benefit obtained from the Somozist regime. The Somozist government wanted to see if it could buy a few more years in power with handouts. That 13th month, which I repeat, is a concession wrested from the dictatorship who sought to perpetuate his stay in power, is a conquest that no one can take from the laborers and employees. No one can make them renounce it.

However, there is something all Nicaraguans can do at this moment to help meet the fatherland's demands so it can advance during these next few crucial months. We are not going to renounce the 13th month, but we can donate it to the state so it can be channeled into works for the progress of our less fortunate brothers; to those who have neither the 13th, nor 12th, nor 11th nor 10th months; to those who perhaps work for only 1 or 2 months out of the year; to those who, at this time, are looking at Nicaragua's future with fear because we all know that we are going to face certain crises in the next few months. We will overcome these crises only if Nicaraguans who are a little more capable of facing the economic crisis are willing to make a sacrifice to achieve a better Nicaragua.

This is a temporary sacrifice, a sacrifice being asked for this year--the donation of the 13th month. It will be used to insure that more Nicaraguans will have jobs and food and that more Nicaraguans will be able to look to the future with optimism.

Nicaragua is asking conscientious citizens, true revolutionaries, for this small sacrifice. Those who can make this sacrifice, those who believe themselves to be revolutionaries and Sandinists by conviction and those who are fortunate enough to have 12 months of wages a year can make this sacrifice so we may have a future with less uncertainty, more optimism, and more brilliance. [end recording]

# HEALTH MINISTER REPORTS ON PROBLEMS

PA070124 Managua Radio Sandino in Spanish 1800 GMT 6 Nov 79 PA

[Article by Yadira Baltodano]

[Excerpt] At a recently concluded press conference, Health Minister Dr Cesar Amador Khul discussed several aspects of the national health system. Among other things, the minister referred to the discontent evident in several of the country's hospitals. According to him, this discontent stems from activities carried out by certain groups interested in boycotting health care in Nicaragua. These groups want hospital workers to demand salary increases from the Health Ministry. However, due to the country's difficult situation at present, the ministry is in no position to grant these increases.

The minister has asked companeros working in hospitals to show their understanding, urging them to join the revolutionary process at this difficult moment and wait until the country's conditions make it possible to satisfy their demands, for that is one of our government's objectives.

Dr Amador Khul denied that private medical practice will be suspended, for people have a right to receive medical attention. On the basis of the economic resources at its disposal, the Health Ministry will hire doctors for a certain number of hours, which will be less than is actually needed because there is no money to pay the doctors for more of their time. Therefore, any doctor can practice at the hospitals and health centers under contract with the Health Ministry and also have a private practice. However, the minister explained, a doctor working 5 hours for the Health Ministry, will have to work those 5 hours, will receive a single salary for his work and will not be permitted to work in several clinics.

The minister also announced that 18 doctors were dismissed this week from several hospitals. The companero explained he could not discuss their names because of professional ethics. According to the investigations, these doctors were closely connected with the Somozist system, were used to having several salaries and were not in the habit of following a regular work schedule as demanded by the people.

Nevertheless, he said that although these doctors cannot render their services in the hospitals and clinics for the time being, they will be allowed to maintain their private practices. According to Dr Amador Khul, if these doctors show an interest in the revolutionary process and concur that health is the right of all Nicaraguans, their respective cases will be reconsidered and they will be rehired without privileges or high salaries, because present conditions make this impossible. They would have to work in rural areas, where they are most needed, or anywhere else where there might be a demand for their services.

The minister added that many doctors and nurses connected with the Somoza regime have been given a second chance and have continued to work within the national health system under strict control. They will have to behave in accordance with the revolution's principles if they are to continue working within the system.

The minister also said the country is in great need of doctors. This problem is currently being solved with the aid of friendly countries, but in the future it will have to be solved by the Nicaraguan Government. For this reason, he explained, the number of medical students at the national university has been increased this year. In the past, only 130 students could enroll in medical school, but this year 230 students have enrolled and the number is expected to increase to 400 or 500 students next year.

CSO: 3010

## BRIEFS

**SUPERMARKET CHAIN--**Managua, 1 Nov (ACAN-EFE)--The Nicaraguan Government today began operating a chain of supermarkets within the framework of a campaign to combat loan sharks, speculation and exploitation. In the name of the Sandinista National Liberation Front (FSLN) and the governing Junta of national reconstruction, Commander Daniel Ortega Saavedra dedicated three supermarkets in this capital. This is the first business that has been established through a government-private enterprise, mixed investment and the contribution of workers and employees. The opening of the supermarkets occurs at a time when the country is being affected by price increases on consumer goods. Admitting the present scarcity of basic grains and eggs, the government has also blamed the situation on middlemen who are hoarding goods for speculation. By opening these supermarkets not only in this capital but also in Leon and Chinandega, in Western Nicaragua, the government has established an effective measure to control prices on a number of consumer products. In these supermarkets basic grains and other staples are priced lower than in other popular markets. Commander Ortega Saavedra said there is a type of businessman in Nicaragua who does not flee the country and does not hide his money, but who makes investments and serves the revolution. The commander exhorted businessmen throughout the country to follow the example by making mixed investments with the government and workers, thus helping the victims of loan sharks. Meanwhile, the open supermarkets in the capital were crammed with customers on the first day of this type of business. [Text] [PA031736 Panama City ACAN in Spanish 0201 GMT 2 Nov 79 PA] Cmdr Daniel Ortega has inaugurated the Nicaragua supermarket chain, which now belongs to the people. Ortega raised several points during his speech: [begin Ortega recording] The political highlight of this event is the desire to open these supermarkets and place them at the people's service. Through them we are fighting speculation in an orderly fashion. However, something more important is involved here. We can see here how the private sector is participating in mixed enterprises with the Nicaraguan Government, which represents the people. Thus, the private sector is showing its willingness to devote its ability and experience to the development of our revolution. We are happy at this attitude and hope it will be an inspiration to other sectors which feel insecure and afraid. Some of these sectors are right in feeling this way, but others are just being manipulated by people who mistakenly



charge here and abroad that Nicaraguan private enterprise will be eliminated, that there is no freedom of the press in Nicaragua and that people are afraid to speak their minds. These charges imply that there is a permanent threat against anyone wishing to express his ideas freely. However, the only permanent threat here is the threat against the enemies of our revolution. [Excerpt] [PA062006 Managua Radio Sandino in Spanish 1800 GMT 1 Nov 79 PA]

**INFLATION, UNEMPLOYMENT DISCUSSION**--In addressing workers of the Central American Savings and Loan Company, Commander Jaime Wheelock spoke harshly of one of the major stockholders of the expropriated finance company, calling it a thief and noting how it cheated employees. Commander Wheelock said any action designed to increase workers' wages is a counterrevolutionary action since it is inflationary. The best way to combat unemployment is to avoid increasing wages, he said. Wheelock said many Somozists who have infiltrated the government earned salaries of 6,000 cordobas before the tyrant's fall. However, as "Sandinists" they earn up to 8,000 cordobas monthly. He said there will be a greater number of unemployed in the country due to the small amount of cotton that was planted. This occurred because of the political situation that prevailed when the cotton should have been planted. At the same time, he admitted that unemployment is high. The conference lasted a little more than 1 hour and was broadcast by some radio stations in the capital. [Excerpts] [PA062204 Managua EL PUEBLO in Spanish 1 Nov 79 p 4 PA]

**ECONOMIC SITUATION**--Commander Carlos Lunez, member of the Sandinist National Liberation Front National Directorate, has affirmed that the Nicaraguan revolution is democratic, popular and anti-imperialist, which was obvious even before the overthrow of the Somozist dictatorship. He stressed that with the overthrow of the dictatorship and the destruction of its political and military apparatus, the Nicaraguan people won their self-determination and political liberation but not their economic independence. Consequently, the revolution's main task now is to achieve the country's economic independence. He emphasized the need for incorporating the people to the economic tasks, particularly the sectors that have traditionally constituted the basis of the country's economy. He stressed the role to be played by the private sector, whose development was prevented by the corruption of the Somozist regime. He noted that the democratic and progressive sectors of the Nicaraguan bourgeoisie must work side by side with the revolution. [Text] [PA060418 Havana International Service in Spanish 1600 GMT 5 Nov 79 PA]

**ORIENTATION COURSES**--At the behest of the Interior Ministry of the national reconstruction government junta and the coordinating committee of municipal juntas, this department junta informs the municipal juntas of Corn Island, La Cruz de Rio Grande, [word indistinct] Puerto Cabezas, Rama, [word indistinct] Cabo Gracias a Dios, Muelle de Los Bueyes, [word indistinct] that orientation and training courses for municipal junta

coordinators will be held 10-11 November in the city of Bluefields. Therefore, each municipal junta must appoint one coordinator to attend the above-mentioned seminar. In view of the contents and importance of this course, every municipal junta coordinator must attend this seminar. In addition, we request all municipal juntas to send a list of all junta members and municipal problems. The march to victory cannot be stopped. [signed] Francisco Lopez, [name indistinct], Marta Medina, Lloyd Harding, Ruben Lopez Espinosa. Free Fatherland or Death: People, Army, Unity. [Text] [PA022036 Bluefields Radio Zinica in Spanish 1800 GMT 2 Nov 79 PA]

TRAINING COURSE--The recently created Public Administration Institute [INAP] has organized the first "heroes of Bocay" guidance and training course for government juntas. Companeros Enrique Smith, Interior Ministry Secretary general; Rogelio Ramirez, official in charge of municipal affairs; and Andres Perez, assistant director of the INAP; held a news conference during which they discussed the objectives of the course and the topics to be covered. The companeros explained that the training course is the result of the revolution's desire to change the corrupt public administration system, just as the bloody regime was changed. The objective of the training course is to prepare new cadres in public administration in order that the people may have a new concept of the public administrator, since these individuals will administer the people's property. For purposes of the course, the country has been divided into eight zones. The lectures will be held on two weekends: on 26 and 27 October in the departments of Chinandega, Leon Esteli and Matagalpa; and on 3 and 4 November in the rest of the country. [Text] [PA041850 Managua BARRICADA in Spanish 27 Oct 79 p 1 PA]

DELAY IN MEDICINE SHIPMENTS--The government of national reconstruction, through its Health Ministry, is currently spending more than 30 million cordobas per month on medicine from foreign laboratories in order to meet demands. However, shipments of medicine have been purposely delayed. In a news conference held today, Health Minister Cesar Amador Khul said Nicaragua has a debt with medicine suppliers which it inherited from the Somozist government. The debt in question amounts to more than \$3 million. Our government of national reconstruction is gradually repaying this debt so it will not be used as a pretext to suspend the shipment of medicine that is badly needed by our people. [Text] [PA060411 Managua Radio Sandino in Spanish 0300 GMT 30 Oct 79 PA]

CSO: 3010

CUBA'S ESPIN SPEAKS AT OPENING SESSION OF WOMEN'S CONFERENCE

FL131139 Havana Domestic Service in Spanish 1100 GMT 13 Nov 79 FL

[Text] Venezuelan President Luis Herrera Campin Monday made the opening remarks at the Second Regional Conference on the Integration of Women Into the Economic and Social Development of Latin America and the Caribbean, which will hold working sessions until next Friday at Caraballeda. In his speech before delegates and guests from more than 38 countries, the Venezuelan head of state stated that the incorporation of women into development is not as necessary as it is urgent.

The opening session began with a speech by Vilma Espin, president of the Cuban delegation, who spoke on behalf of all participating delegations and in her condition as president of the first conference held in Havana in 1977. The problems being confronted by the female population of Latin America are the result of inadequate internal structures and of an international economic order which is profoundly unjust, Vilma stated. She added: For developing countries it is necessary to put an end to the existing unjust international economic relations, which are the result of the exploitation exercised by those developed countries still maintaining the colonial inheritance and neocolonial policy that is evident in Asia, Africa, Latin America and the Caribbean.

Vilma Espin read a report on the accomplishments of the regional conference on the integration of women into the process of economic and social development in Latin America. Cuba holds one of the six vice presidencies which, together with the presidency, make up the present governing body of eight countries. [as heard] The presidency was assigned to Venezuela as host country.

CSO: 3010

## VENEZUELA

### ADVANCES MADE IN HEAVY CRUDE REFINING TECHNOLOGY

#### Cooperation With FRG

Caracas EL NACIONAL in Spanish 22 Oct 79 p D-9

[Text] Venezuela and Germany are working together to develop new technology for handling heavy crudes. The work is going on in German and Venezuelan laboratories, based on a cooperation agreement signed by the two governments.

Venezuela's minister of energy and mines, Dr Humberto Calderon Berti, yesterday reported on the evaluation of the advances made in the research which began in January 1979.

Venezuela and Germany have made significant advances in their joint effort to find new technologies to facilitate the extraction and improvement of heavy and extraheavy crudes, such as those in the Orinoco oilfields and which form a good part of the hydrocarbon reserves located in other parts of Venezuela.

Through the technological cooperation agreement, the two countries are exchanging information, advisory services, the use of equipment and laboratory facilities, and are implementing all the mechanisms needed to conduct the scientific and technical cooperation stipulated in the accords.

#### German Experience in the Field Being Used

The agreement with the Federal Republic of Germany is one of the ways being used to diversify our national petroleum technology, said Calderon Berti, and Germany's wide experience in the refining and liquefaction of coal, which dates from the pre-war period, is being used in the treatment of high density hydrocarbons, for the mutual benefit of both countries.

"Improving" a heavy crude essentially means reducing its density, and for this there are two fundamental methods: adding hydrogen, or breaking carbon down into its molecules. These two methods are being tested in German laboratories with the processes of hydrogenation in liquid phase and cokefaction.

Working to evaluate this project are, for Venezuela, Drs Arevalo Guzman Reyes, the head of hydrocarbons, Ulises Ramirez, director general of energy, and Pablo Reimpell, of PETROVEN [Venezuelan Petroleum Corporation]; and for the Germans, Rolf Holighaus, Wolf Schmit-Kuster, Emil Gruber, and Wilhelm Bonse.

The joint group found that all the phases of the project are up to date. They even found great progress had been made in the tests for improving the crudes in laboratory and field scales, two phases of testing that precede the establishing of pilot and semi-industrial plants. After the new evaluation done in November, the feasibility study for the pilot plant to improve our heavy crudes may begin.

Calderon Berti reported that the German group is also trying to find technology to optimize the process of steam generation for injection in oilfields. In this process, the internal pressure is raised and the heavy crudes are diluted so that they will flow more readily toward the surface.

Another important aspect of the research being done through the technological cooperation agreement is environmental protection, since in this steam injection process, a large amount of water is used, which flows with the petroleum at high temperatures. Both the hot steam and the water that reaches the surface heat the environment, and this creates a problem that is being studied in order to neutralize its negative impact.

The German scientists are developing mathematical models to integrate the discoveries made in the project to obtain better results.

The organization coordinating work done under the agreement for Venezuela is INTEVEP [Venezuelan Institute of Petroleum Technology], which is the research arm of PETROVEN.



## Demetalization of Heavy Oil

Caracas EL NACIONAL in Spanish 24 Oct 79 p D-14

[Text] INTEVEP scientists have managed to lighten and demetalize heavy crudes, one of the most difficult technical operations of the national petroleum industry.

Demetalization and improvement of heavy crudes are important processes since Venezuela has large reserves of heavy crudes that can not be refined, or consequently marketed, by traditional methods, until their metal contents have been removed and they have been made lighter.

The minister of energy and mines, Dr Humberto Calderon Berti, reported that INTEVEP researchers have succeeded in converting a large proportion of a heavy crude into a lighter fuel more easy to sell, by the use of an economic and safe process.

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## OIL WELLS DRILLED, REACTIVATED

### Delta Amacuro Reactivation

Caracas EL NACIONAL in Spanish 12 Oct 79 p D-9

[Article by Ruben Ferrer Rosas]

[Text] Tucupita, 11 Oct--The oilfield here has come back to life, after being reactivated by LAGOVEN, and from 150 barrels a day, its production has been increased to an output of about 3,000 wells.

"We are already sending shipments of crude from here to the river terminal at Caripito, through the San Juan Pipeline, and along the shipping route to the Atlantic, through Barra de Maturin," a LAGOVEN official told EL NACIONAL's reporter.

He said that five shipments of petroleum have already gone to Caripito. "And in each one of them about 3,500 barrels were sent to the storage facility of the river terminal in Caripito." The Delta oilfield has been operated by DELTAVEN, and before that, by Texaco.

"We have had it for a year, and already we can see the gratifying results of the reactivation," said the LAGOVEN official.

In the outskirts of Tucupita 22 wells have been reconditioned and 30 are expected to be completed by the end of this year, raising the production rate to about 4,000 barrels.

### A Pipeline

One alternative LAGOVEN is considering to remove the Delta crude is construction of a pipeline from Tucupita (Delta) to Uracoa (Monagas).

"That would make our operations, which are constantly increasing, more efficient, and we could easily connect local production with the production in the oilfields in southern Monagas."

LAGOVEN is now operating in the inner Delta area, as well as offshore.

#### Aragua State Drilling

Caracas EL NACIONAL in Spanish 24 Oct 79 p 1

[Text] In a special statement Gen Rafael Alfonzo Ravard announced that oil drilling in the state of Aragua, near Barbacoas, will begin in December. The first exploratory drillings will be made in search of natural gas.

This is apparently the first exploratory drilling attempted in the center of the country.

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## VENEZUELA

### STRATEGY FOR ORINOCO OIL DEVELOPMENT READY

Caracas EL NACIONAL in Spanish 13 Oct 79 p D-14

[Article by Cayetano Ramirez]

[Text] Venezuela's strategy for developing the Orinoco oilfields is now ready. A total investment of 16 billion bolivars will be made beginning this year, in order to accelerate the production, improvement, and location program for heavy crudes in the Orinoco oil belt.

National and international sources this week revealed that the industry's management, in conjunction with the minister of energy and mines, Dr Humberto Calderon Berti, and his advisers, had made the basic decision to implement the programs designed to produce heavy petroleum in the Orinoco area of Cerro Negro in southern Monagas, and to establish there the facilities needed to improve the crudes.

The Orinoco oil belt is considered the world's largest reserve of heavy hydrocarbons, but there are technical problems involved in its production and marketing. In the first place, the problems arise from the density of the crude: its gravity, between 8 and 14 degrees API, even reaches higher levels in some cases, which makes it hard for it to flow naturally toward the surface. There is also the problem of the metal content, especially the vanadium and nickel, as well as the sulfur content. These have to be removed before the crude can be refined by traditional methods. The low gravity, because of the lack of hydrogen, is another technical problem that must be resolved. This is handled by a process called "improvement," for which various methods are now being studied, some of which will be used in the program to be carried out over the next few years.

The ANDEAN NOTES prepared by the communications section of the Cartagena Agreement this week discusses the Orinoco oil belt and reports accounts that have circulated in the local petroleum media, to the effect that a considerable investment is being prepared. This report does maintain, however, that by the end of 1989 "all of the Orinoco oil belt" would be in production, but this is not within the plans of Venezuela's authorities. For the time being, a relatively small strip, located in the south of Monagas, is to be studied and worked. There deposits of over 10 billion barrels have been detected. The production expected at the start of this complex operation is about 150,000 barrels a day.

Various cooperation pacts and other agreements have been signed, and laboratories in different parts of the world are now working to solve the problems related to the Orinoco's oil, especially its improvement and demetalization.

The exploitation of the Orinoco oil belt is a strategic action taken by Venezuela to determine and develop its extensive oil resources at a time when problems with the world energy supply are appearing.

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## BRIEFS

AERATED WATER METHOD--Maracaibo, 12 Oct. MARAVEN has had marked success with its use, for the first time in Venezuela, of the aerated water system in oil well drilling. Engineer Luciano Blondi, MARAVEN's development operations superintendent, reported that this new trial in an operational field produced excellent results, in drilling well P-193 in the nearby oilfield of La Paz. This area is fairly well known as a producer of light crude and tests of the aerated water system were done there since this field has been in production for a long time, so the pressures have dropped, and the use of some other drilling fluid may cause great circulation losses. Mr Blondi said that only on very few occasions and in just a few countries has the system been tested at depths greater than 10,000 feet, and well P-193-Z reached a depth of 10,250 feet with no problems. [Text] [Caracas EL NACIONAL in Spanish 13 Oct 79 p C-5] 7679

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29 Nov. 1979

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